Measuring Levels of Local Authority in England 1945-2015

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Abstract

This thesis seeks to measure changing levels of authority of English local government since 1945. Drawing on research at the regional level, the thesis develops a methodology for assessing changing patterns of authority at the *local* level. The thesis identifies three measurement domains (policy scope, financial autonomy and operational freedom) and 19 individual measures which were validated and weighted by elite respondents with experience of local government policymaking. Using data from a detailed empirical study of English central/local relations, a unique Local Authority Index (LAI) is produced. The LAI shows that changes in levels of council authority do not fit a simple picture of unremitting decline since 1945, as often implied in the academic literature. Rather, the LAI reveals a complex and nuanced picture in which some aspects of authority increase while others decrease. The levels of authority for policy scope have decreased almost every year. Financial autonomy has declined dramatically since 1980 and operational freedom actually increased over the study period. Despite this nuance, the LAI demonstrates a dramatic overall loss of authority for English councils between 1945 and 2015 (under governments of both main political parties), with an overall decrease in levels of authority by nearly one quarter.

Who Has Seen the Wind?

BY CHRISTINA ROSSETTI

Who has seen the wind?
Neither I nor you:
But when the leaves hang trembling,
The wind is passing through.

Who has seen the wind?
Neither you nor I:
But when the trees bow down their heads,
The wind is passing by.

Source: *The Golden Book of Poetry* (1947)

Preface and Acknowledgements

Towards the end of my 38 year-long career in local government, I began to reflect on whether the golden years of local government were long past and the seemingly endless diminution of local councils' authority was a continuous, uninterrupted, year by year happening, perhaps ending with local government, as the House of Lords Select Committee on Relations Between Central and Local Government (1996, p.6) noted, fading away to nothing. I presumed I could check this gloomy conclusion in the academic literature, and I was amazed both by the voluminous amount of literature on the subject and by the lack of accepted measures in relation to English local government that could answer my question.

This situation prompted me to carry out this research and to attempt to provide a unique index that could measure the ebb and flow of councils' level of authority since the Second World War.

I would like to express my sincere and enormous thanks to my supervisors, Professor Vivien Lowndes and Professor Catherine Mangan. Without them, I would never have got close to finishing my research. I would also like to thank all the elite interviewees, for their time and support and David Patterson for piloting the interviews.

Finally, I would like to thank my daughter Rachel, son Sam and my wonderful wife Hilary for all their help, support and encouragement.

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GLOSSARY

IMF	International Monetary Fund
GFS	Government Finance Statistics (IMF)
IBRD	International Bank for Reconstruction and Development
MoT	Ministry of Transport
MSC	Manpower Service Commission
ODPs	Office Development Permits
IDCs	Industrial Development Certificates
UNDP	United Nations Development Programme
GDP	Gross Domestic Product
OECD	Organisation for Economic Co-Operation and Development
SNG	Sub-National Governments
HMFSI	HM Fire Service Inspectorate
HMIC	HM Inspectorate of Constabulary
RWAs	Regional Water Authorities
UDCs	Urban Development Corporations
EZs	Enterprise Zones
LEA	Local Education Authority
FAS	Funding Agency for Schools
MSC	Manpower Services Commission

TECs	Training and Enterprise Councils
GRE	Grant-related expenditure
OFSTED	The Office for Standards in Education
SSI	The Social Services Inspectorate
CCT	Compulsory Competitive Tendering
HWB	Health and Wellbeing Boards
BCF	Better Care Fund
TFP	Troubled Families Programme
LEPs	Local Enterprise Partnerships
PCCs	Police and Crime Commissioners
PBF	Prudential Borrowing Framework
NPM	New Public Management NPM
CPA	Comprehensive Performance Assessment
CAA	Comprehensive Area Assessment
LED	Local Economic Development
LSVT	Large Scale Voluntary Transfer

CHAPTER ONE: INTRODUCTION

1.1 Introduction

This chapter begins with a brief summary of the background and purpose of the research, which is centred on the creation of a unique index of centralisation/decentralisation experienced by English local authorities between 1945 and 2015. I describe this as the Local Authority Index (LAI). There follows an introduction of the research aims embodied in the four research questions. The chapter concludes with an explanation of how the thesis in general and the production of the LAI in particular contributes to the study, description and understanding of the process of centralisation/decentralisation in relation to English councils between 1945 and 2015.

1.2 Background and Purpose of the Research

The declining authority of English councils is an almost universal observation by political scientists whether it is through the minute detailed interference of central government (Chandler, 2007, p.xi), the control of local finance by the centre (Rhodes, 1984, p.268), the desire for national standards to override local choice (Copus et al., 2017, p.30) or the erosion of local government service delivery (Stoker and Wilson, 2004, p.1). However, without a detailed and robust quantification of this phenomenon, how do we know that such often quoted observations are defensible?

Measuring centralisation/decentralisation in relation to central government and sub-national government at the federal state, province and regional level is well established and mostly takes the form of comparative research covering a large number of countries, often including the UK (Hooghe et. al. 2010, Lane and Ersson, 1994 and Treisman, 2002). However, such detailed and extensive research is not evident in terms of lower levels of sub-national government including English local government. My research draws on the experience of the

regional level studies to produce a unique index of centralisation/decentralisation for English councils between 1945 and 2015 based on the concept of authority.

1.3 Research Aims

The measuring of changes in the levels of sub-national levels of authority is far from a blank canvas; indeed, there has been a considerable amount of research since the 1960s. However, an important development occurred with Hooghe et al. (2010) who produced a significant analysis of the changing levels of authority of regional governments across 42 democracies which raised the possibility that a similar approach could be taken in examining the English experience at the local government level. My four research questions are:

1. Is it possible to measure levels of authority over time at the level of local government?
2. Can existing research based at the regional level be transferred in whole or in part to the local level of government?
3. How can authority as a concept be operationalised for the purpose of measuring changes in the levels of centralisation/decentralised at the local government level?
4. How has the level of council authority changed in England between 1945 and 2015?

I now consider in more detail an explanation of each research question in turn.

Question 1. Is it possible to measure levels of authority over time at the level of local government?

The most significant research into measuring changing levels of sub-national authority is at the federal states' level and regional level, both in federal and unitary systems of government. Far less research has taken place at the level of local government in non-federal systems of government. Some of the research is based on levels of authority (Hooghe et al., 2010) but far more relates to specific areas such as centralisation/decentralisation of finance (Oates, 1972), measures of democracy (Gurr, 1974) or an examination of central/local relations (Stephens,

1974) . The question to be answered is, while it has been established that it is possible to measure changing levels of authority at the regional level, is it also possible at the local government level? Answering this question requires the development of a credible index that can clearly demonstrate the changing levels of local government authority.

Question 2. Can existing research based at the regional level be transferred in whole or in part to the local level of government?

As noted above, most of the research into changing levels of sub-national governmental authority is based on the federal state and regional level. Although the techniques, methods and concepts employed in the measurement of regional authority are not necessarily consistent, they do all relate to a specific tier of government. The question that arises is whether there are fundamental factors at play that only relate to regional government and are therefore not capable of being utilised at a lower tier of government? Indeed, are there factors at play that are important at the local council level that are unimportant or not relevant at the regional level?

Question 3. How can authority as a concept be operationalised for the purpose of measuring changes in the levels of centralisation/decentralised at the local government level?

Measuring anything in either the natural sciences or social sciences requires a single unifying concept. The use of authority as an underpinning concept for the measuring of changing levels of centralisation/decentralisation is not novel; however, both authority and centralisation/decentralisation are not static concepts and developments in the case of the former (Schneider, 2003) and in the latter (Lukes, 2005) have changed our understanding of what they actually mean. Do such developments bring into question the relevance of local

government as a unit of analysis and the use of authority as an underpinning concept for the measurement of centralisation/decentralisation?

Question 4. How has the level of council authority changed in England between 1945 and 2015?

The final question is largely dependent on a positive response to the first three questions. The creation of individual measures of changing levels of authority, combined into a single index for English councils, could provide a unique opportunity to demonstrate graphically how the levels of authority of English councils has changed between 1945 and 2015.

1.4 Context of the Research

The context of the research is English local government between 1945 and 2015 and the changing levels of authority experienced by councils over these 70 years. English local authorities, also known as councils individually and local government in general, have existed in different forms for over a thousand years, certainly for a longer period than either England as a political entity or the creation of the United Kingdom. The modern form of local government is often traced back to the 1835 Municipal Corporations Act (Lyons, 2007, p.47) but it was not until the end of the Nineteenth Century that a comprehensive coverage of county councils and district councils across all of England was established. English local government includes both two tier and single tier arrangements amounting to 343 in total (LGiU, 2019). The two-tier system comprises of county councils (26) traditionally covering such functions as education, social services and transport, and district or borough councils (192) that are responsible for a range of services, including town planning and housing. Increasingly, single tier or unitary councils (123) have been established, taking responsibility for all local authority functions. All councils are political institutions controlled by directly elected local representatives, commonly known as councillors, who are served by employees

of the council who are traditionally called officers. Neither officers or councillors form homogeneous groups. Newton (1976, pp.136-142) for example identifies five role types for councillors (Parochials, People's Agents, Policy Advocates, Policy Brokers, and Policy Spokesman). It is important to note that although councils do have responsibility for certain functions, these change over time and, as Stewart (1983, p.1) notes, local authorities also take a more general responsibility for their territories beyond the carrying out of statutory functions. Local authorities' revenue expenditure in 2018 amounted to nearly £100 bn and capital expenditure for the same period came to £23bn (HMG, 2018). In 2018, 52% of expenditure was funded through central government grants and 48% came from local funding, mostly from local taxation. The full role function and structure of English local authorities are set out in Appendix 1.

The period of study was determined by the requirement to obtain uninterrupted data in order to produce an annual index. The war years (1939-1945) were both unprecedented in terms of the changes in the functions of local government (albeit temporary) and also the relationship between central and local government. The context in which, local government was operating during the war years was quite different than the pre and post war periods. Indeed, the tiers of local government were augmented, resulting in one of the most dramatic changes in central/local relations during this period, with the establishment of regional administrations led by appointed chairs. The general perception at the time, according to Young and Nirmala (1997, p.19), was that local authorities needed regional direction to respond to the aerial bombing that was devastating the country and that local autonomy was very much a secondary consideration. My view, therefore, is that little purpose would be served by including these years in an analysis of changing levels of authority over time.

The end date of the case study is 2015. This year not only marked the end of the Conservative/ Liberal coalition government but also the beginning of important developments

in the ‘English devolution’ initiative. This initiative involved the establishment of ten Combined Authorities, the first being the Greater Manchester Combined Authority (GMCA) in 2014. The new Combined Authorities have been, or are, in the process of assuming responsibility for 26 devolved powers as noted by Sandford (2020, Appendix 1), covering education, housing, transport, skills and employment, land and housing, public services, finance and health and social care. However, each ‘devolution deal’ is negotiated separately with central government and as a result each agreement is different. Furthermore some devolved powers as noted by Sandford (2020, p.18) are contingent on Combined Authorities fulfilling certain obligations. The political rhetoric clearly claims a fundamental change in central/local relations with the establishment of the Combined Authorities, transferring authority from the centre to the local. The analysis of local government academics is less clear as to the ‘real’ changes that have taken place, but a consensus has yet to emerge. Copus concludes that:

> The current devolution policies, being pursued by the centre, are in a state of some fluidity and are likely to remain so for some time, making difficult to draw any definitive conclusions (Copus et al., 2017, p.133).

The lack of clarity over what and when powers have been ‘devolved’ to the Combined Authority and the fluidity referred to by Copus has led me to the conclusion that my analysis should finish before the start of these possibly important developments.

1.5 Thesis Schema

The conduct of my research is based on a schema adapted from Adcock and Collier (2001, p.531) and Hooghe and Marks (2016, p.28) which is set out in detail in Chapter 3. The schema involves seven steps.

The first step is to clearly identify the concepts upon which the measurements included in the LAI are based. Adcock and Collier (2001, p.532) consider that identification, systemisation and conceptualisation of background concepts is the starting point for developing a robust research framework, particularly for validation purposes. They also note the importance of providing a full account of the concepts underpinning any research which, in the case of my research, is set out in Chapter 2, covering devolution, decentralisation, centralisation and authority.

The second step is to examine how other 'measurers' have systemised their concepts into measures. This literature review is critical in providing a platform for the development of my own measures and in answering my research questions. It also seeks to address the issues normally associated with a narrative review set out, for example, by Bryman (2016, p.94) including what is already known, what research methods were used, whether there are any significant controversies, any inconsistencies and unanswered questions.

The third step, to contextualise the research, takes the form of a literature review of central/local relations in England between 1945 and 2015, relating specifically to changing patterns of councils' authority.

The fourth step, consolidation, brings together the literature review on the 'measurers' and the measures (Step 2) with the literature review on central/local relations (Step 3), in order to determine the validity and relevance of existing measures to the English context. Step five brings forward a set of draft domains and measures to be validated through a process of elite interviews and concludes with the weighting of 19 measures. Step six is the operationalisation stage, whereby the 19 measures are modelled and actualised. Finally, the seventh step, presentation, brings together the individual measures into the LAI.

1.6 Structure of the Thesis

Chapter 2 establishes the theoretical position of my research and also seeks to clarify my understanding and definition of a number of key concepts that underpin my research, namely:

- Devolution
- Decentralisation
- Centralisation
- Authority

Chapter 3 explains the ontological and epistemological position of the research followed by an examination of the research design including case study selection/design and definition. The final part of the chapter considers the methodology used in the research, covering data collection and analysis. There then follows a detailed explanation of the thesis schema as outlined above.

Chapter 4 critically reviews the work of 25 researchers who have sought to measure the ebb and flow of decentralisation/centralisation since the 1970s in a wide range of countries. The 'measurers' adopt four different approaches, which are often in vehement opposition to each other. Hence the chapter considers, in turn:

- Descriptive Measurers
- Statistical Measurers
- Codified Measurers
- Single Index Measurers

An important consideration in the development of the measurers' approaches is the guiding purpose of their work. Three important research purposes are identified: the study of

federalism (covering both democracy and fiscal concerns), central/local relations, and the distribution of authority.

Chapter 5 examines the actual measures developed by the measurers. The 28 measures are presented under four headings:

- Financial
- Policy Scope
- Operational Freedom
- Other Measures

Chapter 6 provides an outline of the major developments that have taken place in English local government between 1945 and 2015, in relation to central/local relations in general, and changes in levels of authority over time, particular. Three distinct epochs are identified as follows:

- 1945 – 1974 Consensus and stability
- 1974 – 1997 Rupture
- 1997 – 2015 Earned autonomy and modernisation

The literature reviewed in this chapter focuses on the development of English local government in a generic sense; however, reference is also made to a number of ground-breaking individual case studies that both help to contextualise the thesis while also demonstrating that local government is not just an abstract concept but a rich and lively tapestry of events and local politics.

Chapter 7 brings together insights from the previous three chapters in order to develop 19 draft measures set within three domains. Although the 28 measures identified in Chapter 4 formed the starting point for developing my draft measures, they needed to be tested in terms

of their relevance to a unitary system of governance, to the concept of authority and to the English context. Finally, the 3 draft domains and 19 draft measures were validated through interviews with 18 elite respondents from local government and associated organisations.

Chapter 8 sets out the detailed construction of each of the 19 measures within the three domains. The three domains include policy scope (the range of functions carried out by local authorities), financial autonomy (the level of financial freedoms enjoyed by local authorities) and operational freedom (the level of authority that councils have to express their own political identity and priorities as well as the freedom to manage their own organisation). The measures seek to capture the level of authority enjoyed by councils in England. They are varied in structure and complexity. The simplest measure simply records the level of service provided, (e.g. public utilities). Other measures are far more complex, capturing the changing levels of external controls that determine how councils operate authority over their territories, (e.g. education).

Chapter 9 presents the LAI, which comprises of all the 19 measures presented as a combined, numerical sectional bar chart for each year between 1945 and 2015. The sections represent the three domains of policy scope, financial autonomy, and operational freedom. The presentation of the LAI in a graphical form allows for an easy analysis of changing levels of authority of local councils over time. In particular, the LAI demonstrates that there has not been an unremitting decline in councils' authority over the whole study period; indeed, it was not until 1973 that an overall sustained decline is evident. Even post 1973, there were specific years in which councils' levels of authority increased.

Chapter 10 considers the findings of my research in relation to the four research questions set out in Chapter 1 and describes how the research has added to the theory of centralisation/decentralisation. I then consider the practical contribution that my research has

made in particular the usefulness of the LAI and any limitations of the research are explored and explained. Finally, the possibility of future research on the measurement of centralisation/decentralisation in relation to sub-national government is considered.

1.7 Conclusions

Until the 1970s, scholars looked at the phenomenon of centralisation/decentralisation through the use of narrative, with little attempt to quantify the levels of change. In the 1970s, three eminent scholars, Oates (1972), Stephens (1974) and Gurr (1974) attempted to measure aspects of decentralisation. More recently, it has become possible through the work of authors such as Hooghe et al. (2010) to quantify levels of decentralisation over time but this understanding does not extend to the sub-regional level and it remains problematic in a unitary system of government.

My research makes an original contribution by measuring the dynamics of centralisation/decentralisation in England at the council level for the first time. This thesis responds to the four research questions outlined above, and, in doing so, develops existing theoretical positions in a number of ways. Firstly, it supports the literature on UK central/local relations. Secondly, it augments the work of Adcock and Collier (2001) on measurement validity. Thirdly, it adapts regional level research at the local council level to provide a unique measure of decentralisation/centralisation for English local authorities between 1945 and 2015. Finally, it provides an in depth and novel analysis of existing attempts to measure sub-national changes in levels of centralisation/decentralisation.

CHAPTER TWO: THEORY - DEVOLUTION, DECENTRALISATION, CENTRALISATION AND AUTHORITY

2.1 Introduction

The purpose of this chapter is to outline my theoretical position and to clarify my understanding and definition of a number of key concepts. The academic discourse on centralisation/decentralisation is notable for the lack of consistency in the definition of basic concepts such as devolution, decentralisation, centralisation and authority; therefore, it is essential that I clearly articulate my own understanding for the purposes of clarity and rigour and to identify what particular definition is most pertinent to my research and is capable of being measured.

2.2 Theoretical Position

The approach taken in my research can best be described as 'traditional', based upon pre-rational choice thinking in European public administration. My research is limited to concerns of elected local government and not wider issues of local governance (which involves a broader range of agencies).

The focus of my research, at least initially, is on *what* has occurred in the shifting levels of councils' authority rather than *why* levels of authority have changed. The reason *why* certain events happened is secondary to understanding *what* has occurred and the impact of such events on the level of local authority. It is *what* that needs to be measured. It is not until this is clearly established and presented in a numerical format that the debate on *why* something happened can take place on an informed basis. There are, however, two important political concepts that provide a degree of rigour and consistency to the measures, namely,

decentralisation and *authority*, which are explored in this chapter. Both concepts are drawn ultimately from respectively Max Weber, (Weber, 1968) and Robert Dahl, (Dahl, 1961), both now perceived as pluralists. The more modern interpretations, although considered, are not utilised as underpinning concepts in my research as they introduce a level of complexity that would make measuring extremely difficult, if not impossible. I have found that the key to operationalisation of the concepts of decentralisation and authority is simplicity.

The overarching terms used to define the narrative around the examination of the level of power or authority, exercised by central institutions and local ones, are broadly expressed as devolution, decentralisation, and centralisation. Most scholars agree that these concepts relate to very different phenomena; however, their meanings have changed over time and, as Copus et al. (2017 p.12) note, there is often little consensus on what precisely the terms mean. It is for this reason that a closer examination of the three phenomena is required.

2.3 Devolution

Cohen and Peterson (1999, p.26) note that 'devolution occurs when authority is transferred by central government to autonomous local-level governmental units holding corporate status granted under state legislation'. Traditionally, there is little dispute that devolution represents a transfer of authority from a central government to a more local elected corporate body established through central state legislation; however, there is less consensus regarding the level of autonomy the 'receiving' body needs to possess as a prerequisite for devolution to occur. Bogdanor (1991, p.172) notes there is no requirement for the 'receiving' institution to be autonomous; rather, it should be an inferior or subordinate elected body. Although my research concerns England and not the UK as a whole it is useful to consider the UK context where significant levels of authority have been passed to the Scottish Parliament (Scotland Act 1998), the Welsh Assembly (Government of Wales Act 1998) and the Northern Ireland Assembly (Northern Ireland Act 1998) although none of these institutions are fully

autonomous. Even in the case of the Scottish Parliament and Government, which has received the most significant level of devolved authority, it remains constitutionally subordinate to the UK Parliament, (Bogdanor, 1999, p.185). Indeed, in a unitary system of government it could be argued that, since all authority ultimately rests with the central state, devolution, as envisaged by Cohen and Peterson (1999) , simply cannot exist. However, despite not being fully autonomous, few would dispute that power has been devolved to the Scottish Parliament from the UK Government. The resolution of this apparent conflict is to accept that there is not a universal definition of devolution and that while devolution in a federal system would fit well with Cohen and Peterson's approach, it does not fit well in a unitary system of government. Macmahon (1961) is well aware of this dichotomy in that he recognises two types of devolution - constitutional devolution and statutory devolution. Constitutional devolution relates to different types of federal arrangements, where power is divided between the centre and the sub-national level of government. Real autonomy exists at different levels of government and, as such, fits well with Cohen and Peterson's definition. Statutory devolution, and in particular territorial statutory devolution, describes:

> the legal nature of self-government as it is carried on in unitary states through the election of officials in provinces, municipalities, and other geographically delimited units to which power is delegated to legislate and to act otherwise in certain matters (Macmahon, 1961, p.20).

The inclusion of the election of officials as an element of statutory devolution is important and allows a large number of scholars to conclude that the recent developments in the UK can quite rightly be considered as devolution (Bogdanor, 1999, p.185, Pollitt, 2005, p.375 and Copus et al. 2017, p.12).

It is important to note, however, that Macmahon does not specifically consider the amount of power that is delegated when judging whether devolution has taken place. With reference to the examples he uses to describe statutory devolution, it is clear that a significant transfer of power was involved. Copus et al. (2017, p.11) do, however, directly consider the level of power that is transferred, concluding that 'devolution implies a substantial transfer of political power and autonomy'. Copus also notes that:

> While devolution does not go as far as Federalism in providing a division of powers between two levels of government of equal status, it establishes a specific constitutional relationship between those levels while, in principal, maintaining the sovereignty of parliament (Copus et al., 2017, p.13).

The discourse on devolution in the UK is not confined to Scotland, Wales, and Northern Ireland as it also relates to England, which provides a useful theatre to consider the limits and extent of devolution. The Local Democracy, Economic Development and Construction Act 2009 allowed English local authorities to group together in order to receive additional functions and finance from central government, covering economic development and transport. In effect, councils could pool certain responsibilities into a 'Combined Authority' and, subsequently, receive additional finance and responsibility via a 'devolution deal' with central government, constituting in George Osborne's (2015) words a 'devolution revolution'. The Cities and Local Government Devolution Act, 2016, amended the 2009 Act by allowing for the election of directly elected mayors, while also removing the limitation on 'devolved' functions. As noted by Sandford (2020, p.6),12 devolution deals were agreed by March 2020, although three subsequently collapsed but two of them were 'partially revived'. Returning to Macmahon and Copus, one has to consider if the new English legislative framework outlined above represents a substantial transfer of authority from the centre to the Combined Authorities. With the exception of Directly Elected Mayors, there are no specially

elected representatives as is the case for Scotland, Wales, Northern Ireland, and Greater London, who all have their own directly elected assemblies. It is, therefore, difficult to conclude that a substantial transfer of political power and autonomy has followed. Wall and Bessa Vilela (2016, p.657) conclude that it is misleading to refer to the creation of the Combined Authorities as devolution, but rather 'a fragmented and inconsistent pattern of the decentralisation of funding streams'. Ayres et al. (2017, p.9) conclude similarly, believing that there is a 'rhetoric-reality gap' and that the 'devolution revolution' has simply not occurred.

It is difficult to reach an overall conclusion as to the level of English 'devolution' as a result of the new Combined Authorities, since the type and level of 'devolved powers' differ between each new combined authority and, as Lowndes and Lempriere (2018, p.230) note, ' …. each devolution settlement involved the creation of a bespoke package of powers'. Although many scholars use the term devolution in relation to the Combined Authorities, they do so not in terms of examining the concept of devolution but rather in seeking to explain the process itself, or to examine other phenomena such as democracy, statecraft, transparency or localism. Perhaps it is most appropriate to leave the last word on this issue to Lord Heseltine, who, at the 2015 Local Government Association Conference, stated:

> When one talks of devolution it's not realistic to talk about freedom. This is a partnership concept. Central government are elected, and they are entitled to have their manifestos implemented and it cannot be contemplated there is a sense of freedom at a local level which can actually frustrate the clear mandates upon which governments are elected. I am sympathetic to the word 'partnership' rather than 'freedom' or 'devolution' (Heseltine, 2015).

The Combined Authorities are not considered further in my research (apart from the concluding chapter which considers the possibility of additional research in this area) because, although the Greater Manchester Combined Authority was established in 2011, much of the period between then and 2015 was taken up with negotiations with central government and, indeed, the first elected mayor of any Combined Authority did not take up post until 2017.

2.4 Decentralisation

Decentralisation is a concept that has many meanings and uses across a range of disciplines. Even within political science, the range of definitions is extensive, often crafted to suit the researcher's particular interest. Schneider (2003, p.32) considers there is a 'startling diversity of definitions' often resulting in 'conceptual muddle'. In commenting on the range of definitions, Macmahon notes that:

> Through all of them, however, runs a common idea, which is inherent in the word's Latin roots, meaning "away from the centre". This general meaning must be supplemented in each use of the word by qualifying definitions that are supplied for the occasion by the person who employs it (Macmahon, 1961, p.15).

Macmahon provides a good starting point to map the different dimensions of the concept of decentralisation building on this loose but inclusive definition. The three most basic augmentations that are required are to identify *what has moved away*, what is the *centre* and where is the *destination.* Answering these apparently simple questions provide a good basis to arrive at a useful definition for my research.

Before the 1980s it would have been easier to define what was meant by the *centre*. In the context of political science, the *centre* would have invariably be defined as the highest level of government - the central state. Cheema and Rondinelli (2007) conclude that by the early

1980s this was less likely to be the case as a result of increasing globalisation and technological innovation.

> As international economic interaction grew and as societies became more complex and interconnected, government came to be seen as only one, albeit a critically important governance institution (Cheema and Rondinelli, 2007, p.2).

For Cheema and Rondinelli it is not just about moving away from a single centre, but rather about movement away from a multitude of centres. The critical question is how important the 'other' centres are compared with the central state in terms of local government. An argument could be constructed that, while accepting that there are many governance institutions, central government, especially in a unitary system, is such a dominant institution in relation to local government that the earlier definition of decentralisation is still sufficient to guide my research.

If the identification of the *centre* raises concerns, the definition of the *destination* is even more problematic. As with the changing view of what the *centre* comprises, the view of what the *destination* is has also changed. Cheema and Rondinelli considered that during the 1990s 'decentralization was seen as a way of opening governance to wider public participation through organizations of civil society' (Cheema and Rondinelli, 2007, p.3). Essentially, the change is typified by the concept of local governance as different from local government, whereby a local authority is seen as but one player, albeit a lead player, in a wider system of local governance. Atkinson and Wilks-Heeg (2000, p.42) concluded that the 'new' arrangements of local governance have 'fundamentally, if not fatally', undermined the traditional view of local government. Gerry Stoker (1998) identifies five propositions that help define local governance:

1. It includes actors and institution beyond government.

2. It recognises that there are flexible and, indeed, blurred boundaries in terms of responsibility for social and economic issues.
3. There are power dependencies.
4. It is about an autonomous self-governing network of actors.

The fifth proposition is worth considering in its entirety:

5. ‘Governance recognizes the capacity to get things done which does not rest on the power, of government to command or use its authority. It sees government as able to use new tools and techniques to steer and guide’ (Stoker, 1998, p.18).

This new, more sophisticated view of decentralisation, based on local governance rather than local government, is explained by Pollitt et al. (1998, p.6) as ‘an underlying sense that decentralisation involves the spreading out of formal authority from a smaller to a larger number of actors’.

Finally, there is the consideration of *what is moved away* from the centre. If there is little consensus regarding what is meant by the *centre* and the *destination,* most scholars agree that it is the movement of authority that is of critical concern in terms of *what is moved away*. The majority of political scientists examine this transfer of authority by reference to three possible routes or types:

- Political Decentralisation
- Administrative Decentralisation
- Fiscal Decentralisation

Although the three types of decentralisation are widely accepted in a general sense by political scientists, there is not a universal agreement of their definition. Falleti (2010, p.33) sums up the situation well. ‘The problem is that the definition of what exactly constitutes an

administrative, fiscal, or political type of decentralization varies from author to author'. Pollitt (2005, p.374), Smith (1985, pp.8-9) and Falleti (2010, p.36) all equate political decentralisation with devolution, whereas Copus et al. (2017, p.15) and Neven (2002, p.2) clearly see political decentralisation as embracing a movement of authority to any subordinate tier of government. The majority of scholars perceive administrative decentralisation to mean the decentralisation of authority to 'local agents' whether directly employed by the central state or by a local administration. However, Falleti (2010, p.36) sees it as general term for the decentralisation of authority from the central state to local authorities. Fiscal decentralisation, in many cases, represents a separate analysis associated with social welfare and economic stability, often associated with the study of federalism, for example, Musgrave (1959) and Oates (1972). For many other researchers, fiscal decentralisation is seen as a component of the overall concept of decentralisation (Lane and Ersson, 1994 and Schneider, 2003).

In addition to the three types of decentralisation, there are other concepts of decentralisation that occur in the literature including:

- Deconcentration
- Shared responsibility
- Horizontal and vertical decentralisation
- Competitive or market decentralisation

2.4.1 Deconcentration

Rondinelli (1990, p.10) describes deconcentration as the 'weakest form of decentralization'. Cheema and Rondinelli define deconcentration as follows:

> Deconcentration involves the transfer of functions and decision-making authority within the central government hierarchy, through shifting the workload from central

> ministries to field officers, the creation of field agencies or the shifting of responsibility to centrally-controlled local administrative units (Cheema and Rondinelli, 1983, pp.11-12).

There have been many examples in England of central government initiatives to transfer central functions to local or regional offices including, for example, John Major's initiative that established 10 government offices for the English regions in 1994 (only to be abolished in 2011), and New Labours creation of eight Regional Development Agencies in 1999. In practice it is questionable if any significant levels of authority were ever been passed down on these occasions. It has certainly been the case that central/local liaison may have been improved, but this has little to do with the transfer of authority. There is also a view that deconcentration can actually be used to 'reduce the forces of localism and enforce uniformity in decision-making' (Smith, 1985, p.9).

2.4.2 Shared Responsibility

Robertson Work, the Principal Policy Advisor at the United Nations Development Programme (UNDP), refers to a background paper for the 2nd (UNDP) International Conference on Decentralisation, which noted:

> Decentralizing governance is the restructuring of authority so that there is a system of co - responsibility between institutions of governance at the central, regional and local levels according to the principle of subsidiarity, thus increasing the overall quality and effectiveness of the system of governance, while increasing the authority and capabilities of sub-national levels (Work, 2002, pp.5-6).

Co-responsibility, or shared responsibility, recognises that there are instances where central government has authority over part of a function or policy but shares other aspects with sub-national government. Such a situation can change over time as part of the ebb and flow of

authority and, although it is important to bear in mind that levels of authority are not always binary, it is possible to consider such arrangements within the traditional concept of decentralisation. For example, if the central state decides to share a particular function with local government that was previously its sole preserve, it would be possible to consider this as a form of decentralisation and, depending upon the circumstances, it could also be postulated that local government had gained authority.

A separate case of shared responsibility is what Hooghe et al. (2010) terms *shared rule,* whereby sub-national government has a role in determining national policy. Although such a phenomenon is not unusual around the world, it does not appear to have occurred in England during the period of my research. This assertion is confirmed at least between 1950 and 2006 by Hooghe et al. (2010, p.159) who conclude that there was no shared responsibility for law making, executive control, fiscal control or constitutional reform between central government and sub-national government in England.

2.4.3 Horizontal and Vertical Decentralisation

Decentralisation is most commonly considered in terms of the vertical transfer of power from higher to lower levels, but a number of researchers argues for the relevance of horizontal decentralisation too. This approach is particularly relevant in the examination of multi-organisational partnerships, where considering only vertical hierarchies often oversimplifies a more complex reality. Although the vertical type of decentralisation would fit well with the 'hierarchical mode of governance' that characterised public administration in the 1970s, it does not address the networking characteristics that Lowndes and Skelcher (1998, p.331) argue, epitomised in the 1990s, whereby by governance, and perhaps authority, is shared between public, private, community and voluntary sector actors. Such arrangements could be characterised as horizontal decentralisation. However horizontal decentralisation can also occur within a single organisation. Mintzberg (1979, p.186), for example, uses the term in

relation to levels of control exercised by non-managers in an organisation's decision-making process.

2.4.4 Competitive or market decentralisation

Competitive decentralisation entails the transfer of services away from government to the private or voluntary sector through a process of tendering. For Pollitt et al. (1998, p.8) this does not involve the transfer of ownership, but it does involve the transfer of operational authority. Neven (2002, pp.3-4) perceives market decentralisation as privatisation and concludes that it is the most 'complete form' of decentralisation. There is clearly a range of possibilities in considering competitive decentralisation. In one instance, a local council could decide to put its grounds maintenance service out to competitive tendering with a well-defined contract that would deliver the same service as an 'in house' arrangement. It would be difficult to argue in such circumstances that the local council experienced a loss of authority. In many ways such a scenario could be considered as horizontal decentralisation, thus illustrating the overlapping characteristics of the different categories and classifications of decentralisation. In another instance, central government could decide to privatise the local authority gas services, and, in such circumstances, it would be difficult to argue that a loss of authority did not occur.

Competitive or market decentralisation is an extremely wide concept in which careful consideration needs to be given to each individual instance before concluding how it impacts on the level of local authority. Examples of competitive decentralisation in England primarily relate to central government initiatives to increase the level of outsourcing of local government services. The Local Government and Land Act, 1980, for example, introduced the concept of Compulsory Competitive Tendering (CCT) whereby councils were required to put certain council services out to competitive tendering in the open market. The Local Government Act, 1988 extended the range of services that were subject to CCT. Although

CCT was abolished by the Local Government Act 1999, with the introduction of Best Value, there remains a strong theme in central/local relations where market decentralisation is still considered a favourable option by central government.

2.5 Arguments for Decentralisation

Decentralisation has been at the heart of political science for at least the last 50 years. The interest in 'decentralisation', goes back even further to the debates on American federalism in the mid 19th Century. Alexis de Tocqueville in *Democracy in America* Volume 1 (1835) and Volume 2 (1840) places a strong emphasis on the importance of decentralisation as the very essence of democratic government. Ashford, commenting on the conflict between territorial jurisdictions, notes that 'Liberal democratic theory argues from its earliest forms that the territorial subdivisions of the state enhanced political participation and protected citizens against arbitrary government'. (Ashford, 1979, p.71)

Most scholars agree that, however defined, research into decentralisation achieved greater emphasis in the 1980s and, as 'Pollitt (2005, p.371) notes, everyone is now in favour of it and the concept is 'virtually unassailable'. Cheema and Rondinelli (2007) consider that the study of decentralisation is of interest for five reasons. Firstly, there is the interest in the problems of newly independent countries that led a great number of researchers to investigate the relationship between decentralisation and improved governance – see, for example, Schneider (2003). The second area has focussed on the broad subject of efficiency and the provision of public goods and services (e.g. Pollitt, 2005). The third area concerns itself with matters of cleavage and the reduction of conflict (e.g. Lane and Ersson, 1994). The fourth area concerns itself with the improvement of the democratic process (e.g. Pollitt, 2005). The final area looks at decentralisation from national government to organisations and individuals, both inside and outside the democratic structures of local government, in response to demands for increased democratisation and the apparent rise of the enabling state (e.g. Cheema and Rondinelli,

2007). Of the five areas of focus, it is the second, fourth and fifth areas that deserve closer examination in the context of my research.

Efficiency

Efficiency is seen as an important goal for decentralisation by many writers. Pollitt (2005, p.381) outlines a number of arguments in favour of decentralisation around efficiency, including faster decision making, being more responsive to users of a service, which is also highlighted by Smith (1985, pp.28-30), and that services can be better "tuned" to local conditions.

Improved democracy

There is a significant amount of literature which shows that local government forms the foundation for party politics in many democracies. This thinking extends across the political spectrum. Bassett (1984) provides a useful analysis of the importance of municipal socialism in the development of the Labour party. Bulpitt (2008) also provides a more general perspective on the importance of local government in all political parties. There has been a long tradition going back to J. S. Mill that local government is the training ground for future national politicians. But Smith notes 'The value of political experience on local councils for national politicians should not be exaggerated' (Smith, 1985, p.23).

Although, according to Wilson and Game (2011, p.51), over half of all MPs in the 2001 and 2005 Parliaments had previously served as councillors, this is not typical of most UK parliaments. Indeed, Wilson and Game go on to note:

> There is in Britain much less career overlap between national and local politics - with local government having a correspondingly less powerful voice nationally - than in many countries (Wilson and Game, 2011, p.51).

Equally pertinent is the low number of MPs that serve as active councillors, which contrasts, for example, with the situation in France (Chandler, 2009, p.179).

Citizenship

Citizenship, as Lowndes notes, has had a long theoretical relationship with urban politics. The concerns here are about community identification and membership, political public participation, education for citizenship and that 'identification with local communities is seen as fundamental to citizenship'. (Lowndes, 1995, p.162)

2.6 Arguments for Centralism

Centralism is not a phenomenon that receives a great deal of examination in the literature and, where support is indicated, 'few argue overtly for centralisation by employing the term 'centralisation' itself' (Copus et al., 2017, p.11). Compared with the voluminous literature on decentralisation, centralisation does not appear to be widely discussed apart from representing the opposite end of the decentralisation continuum. Bulpitt (2008) in bemoaning the neglect of academic study of the centre, developed a 'central authority model' which seeks to define how the centre can indirectly 'manage' the local, leaving what he termed 'low politics' (administration and public services) to local elites on the periphery while the centre can concentrate on the 'high politics' (international policy and the economy). However, as Rhodes (1988, p.31) notes, Bulpitt is not always clear what is meant by the periphery and, indeed, the centre. The situation that centralisation tends to be defined in the context of decentralisation does not in the context of my research cause a problem. Centralisation then can be considered in terms of the movement of authority from the local (and many) to the centre (and few).

Although few political scientists would suggest that centralism is a preferable model of governance, this is less the case for economists – see for example Boffa et al. (2016).

Commonly, the arguments put forward against decentralisation and in support of centralism include costs, efficiency competence and equality.

In terms of costs, the argument often put forward is that decentralisation causes duplication, particularly concerning staffing, and there is also the argument that small councils do not benefit from economies of scale. Wilson and Game consider the cost argument deployed (by economists and political scientists) against decentralisation and for centralisation, noting that:

> Things could be run more cheaply from the centre, critics suggest, whether the centre in question is London or, when considering the case for area or neighbourhood offices, from a council's own headquarters (Wilson and Game, 2011, p.39).

As regards efficiency, the argument is often heard that smaller units of government find it difficult to recruit and retain the best staff and thus are less likely to develop efficient models of management and project development (Wilson and Game, 2011, p.40). This issue relates not only to administrative centralisation but also to political centralisation, linked to members' competence. As Lowndes and Sullivan (2007, p.68), note 'The smaller a unit of governance, the smaller the pool of citizens from which representative and leaders can be recruited'. However, it is not difficult to identify extremely inefficient central government projects which compare badly with locally controlled initiatives both in terms of procedures and policy outcomes. King and Crewe (2013) identify a range of highly inefficient projects covering three decades from 1979 to 2010. Procedural inefficiencies in central government are typified by IT problems such as the failure of the case tracking system of the Crown Prosecution Service (1989-1997) and the Post Office benefits payment system (1994-1999). Policy failures of the centre are many and varied but include the abandoning of Individual Learning Accounts (1996-2001) and the Community Charge (1990-1993).

The fourth argument for centralisation concerns equality or inequality of service delivery. Typical of the arguments around inequality is that the more dispersed functions are, the greater levels of differences occur. In the UK context, this is often described as the 'postcode lottery', whereby citizens receive different levels of services depending on how good or bad their local council performs. It is difficult to argue against the proposition that a single provider of a service is likely to achieve a greater consistency than with multiple providers; however, as Leach et al. (2018, p.15) note, such concerns fail to consider the value of diversity, local traditions and preferences. Lowndes and Sullivan (2007, p.70) note that services might be different but might also be what local people want and, indeed, are tailored to local needs.

Treisman (2007, pp.283-287) considers why there is a persistent belief by scholars, journalists and politicians in the superiority of decentralised government (this is less true in the UK) and, by implication, the inferiority of centralisation and two important elements stand out. Firstly, he argues that centralism suffers from 'guilt by association'. Some of the most centralised states have also been some of the most totalitarian and he gives examples of Stalin's Soviet Union, Hitler's Third Reich, and Mao's People's Republic. The fallacy is that the centralisation did not create the dictatorships, rather it was the dictators who created the centralisation. Secondly, there is the view that centralisation is synonymous with central planning while decentralisation equates more to free market and individual choice but, as Treisman (2002, p.286) states, this has 'nothing to do with how authority should be distributed across levels of government'.

2.7 Authority

For the purpose of my research, it is the concept of authority that provides the rigour, transferability, and consistency to my measures. All of my 19 measures set out in Chapter 7 are different; they are 'apples and pears' and, indeed, many other fruits. A single index is

only defendable if its constituent parts can be rendered down into a single entity or value that is capable of being incorporated into a single index/value. It is not possible to achieve this single value without the introduction of a single constant concept. It is not the case (for instance) that one apple is worth two pears; rather, it could be the case that an apple contains x % of something and a pear contains x+2% of something; therefore, they can be combined into a single measure. The concept of authority provides the possibility of unifying my measures into a single scale/index, thus enabling me to render down the different measures into a single entity.

Following Hooghe et al. (2010), I have chosen to measure the extent to which a collection of sub-national organisations exercise authority over their territories over a set time period. My research concerns, English local authorities between 1945 and 2015, whereas Hooghe et al. undertook a comparative study of 81 countries. There are some major differences in the two studies but I have sought to adapt their approach to make it more appropriate to the circumstances of my research. The most important similarity is the use of the concept of authority as a measure that can cast light on the power that institutions can and do exercise within their territory at different times.

Hooghe et al. (2010, p.9) reminds us that, 'Authority, like most concepts in political science, has no natural unit of measurement'. However, such a conclusion does not fatally flaw any attempt to measure levels of authority, but it does mean that constituent parts of a measure of authority have to be identified, codified, and defended. But such labours are in vain unless the concept of authority as a measure can be justified and this, in turn, can only be achieved if the use of authority as a concept can be adequately explained. It is worth noting at this point that, throughout my research, I refer to authority and not power; however, it is often the case in the academic literature that both terms are interchangeable. The most important difference in the two terms is that authority is most often perceived as legitimate whereas this is not always the

case with power. Robert Dahl in 1957 notes that his intuitive idea of authority is, 'A has power over B to the extent that he can get B to do something that B would not otherwise do' (Dahl, 1957, p.203). In defining power Dahl notes that words such as power, influence, control, and authority are interchangeable.

At that time Dahl was examining the concept of power in relation to individuals, specifically members of the United States Senate. By 1961 he was looking at power in the context of New Haven, a town in Connecticut, involving an analysis of who initiated and who vetoed decisions in key areas (Dahl, 1961). However, Dahl's definition of power is not without its critiques.

Lukes categorises Dahl's definition of power as a one-dimensional view. Lukes recognises Bachrach and Baratz's (1963) criticism of Dahl's (and others') approach and, in particular, that they failed to take into account the way controlling groups create barriers, stopping other groups participating in decision making. Lukes (2005, p.39) notes, 'In brief, the one-dimensional view of power cannot reveal the less visible ways in which a pluralist system may be biased in favour of certain groups and against others'. From a pluralist perspective, political power is dispersed amongst a wide range of social groups. Lukes contention is that, while power is dispersed, it may not be dispersed evenly, and the reason for that uneven dispersal is not always clear.

Bachrach and Baratz's approach includes consideration of who controls the political agenda, including the issues that are excluded from that agenda which, in their view, are as important as the decisions made. Lukes calls this approach the two-dimensional view, noting that it allows for consideration of the *ways* which prevent decisions being taken.

While Lukes concludes that the two-dimensional view is an improvement on Dahl's definition, he also notes that it fails to take into account how A seeks to control what B does

or does not want to do and that less powerful groups are not always aware of their 'real interests'. Lukes includes these considerations in his approach, which he calls the three-dimensional view, which can be summarised as A exercises power over B when A affects B, in a manner contrary to B's (real) interests.

Lukes raises questions as to the validity of Dahl's definition of power, but it is an entirely different point to conclude that Dahl's approach is inappropriate for the purpose of research such as my own. There are a number of questions that need to be addressed before determining the adoption of a particular definition of authority. Firstly, does the development of other 'definitions' of authority, including the second and third-dimensional views, fatally undermine Dahl's own definition? Secondly, even if this is established to be the case, are such 'improved' definitions appropriate for my research?

The most critical issue concerning the second and third dimensional views is whether they actually change the broad concept of power as envisaged by Dahl? It is my contention that Dahl's definition is untouched by his critics for the simple reason that they do not actually seek to redefine the concept; rather, they seek to explain how it works. Although the third dimension shows how power is mobilised through structural as opposed to agential means (Dahl's A and B analysis), we can ask whether it actually challenges the overarching concept. The subsequent explanations provided by Lukes (2005) introduce new explanations of how power operates, but they do not redefine the concept. As McLachlan notes in relation to the second dimensional view:

> There is no immediately obvious *conceptual* difference between the two-dimensional view of power and that associated with the pluralists (McLachlan, 1981, p.310). (Authors emphasis)

Indeed, there is nothing to lead us to the conclusion that the control of a political agenda, as considered in the second dimensional view, could not be taken into account within Dahl's definition. It is still the case that A is still getting B to do something that it would not otherwise do.

The same consideration could be employed in relation to the third dimensional view. It is possible to conclude that Dahl's definition is still usable:

> In any case, since there are no apparent advantages in adopting their (Steven Lukes and William Connolly) suggested redefinitions of the term power while there are apparent disadvantages, we might in the meantime, reject their suggestions (McLachlan, 1981, p.322).

The major disadvantage of the third dimensional view is that it assumes a moral equivalence to the 'real interests' of B. While it cannot be the case that A knows better than B, it is equally possible that B's real interest are either morally repugnant, or objectively not really in their best interest. While the introduction of such concerns can clearly be debated, with all the political undertones associated with them, the apparent sophistication also introduces assumptions.

Hooghe et al are not troubled by the criticism of Dahl by Bachrach, Baraatz, Stone and Lukes. Rather, they consider Dahl within the context of Max Weber's examination of legitimate authority. In Weber (1968, p.215) three types of authority are identified together with the source of their legitimacy:

- Rational grounds – based on the belief in the legality of enacted rules. In other words, legal authority.

- Traditional grounds – based on established beliefs and often relating to an individual's role within embedded authority structures, such as clans, tribes, or the family.
- Charismatic grounds – based on devotion to an exceptional person.

It is legal authority (rational grounds) that is most relevant in the study of a modern democratic system of government; however, in the age of populism, charismatic grounds are increasingly re-emerging as highly significant. Weber (1968, p.217) notes that legal authority rests on the acceptance of the validity of five 'mutually inter-dependent ideas':

- That any given legal norm may be established by agreement and in certain circumstances by imposition
- Every body of law consists of a system of rules and the administration of the law comprises of the application of these rules
- Everybody is subject to the law
- The person who obeys the law does so as an individual and is a citizen of the territory
- Citizens obey the person in authority not in respect to that person as an individual but to his or her position within the organisation.

Weber notes in relation to his first idea:

> This is, however, usually extended to include all persons within the sphere of power in question – which in the case of territorial bodies is the territorial area – who stand in certain social relationships or carry out forms of social action which in the order governing the organization have been declared to be relevant (Weber, 1968, p.217).

Thus, Weber's definition of authority can relate to the whole population of a council's territory which is an essential prerequisite in considering local government's authority and,

ultimately, the changing levels of authority over time. Authority in a Weberian sense is not confined to just the relationship between the individual and an organisation such as the state or with groups within a population, but it can embrace a relationship between the leader and the whole population.

The limitations of the one-dimensional view of power are, in some respects, significant but such criticism needs to be considered in relation to the particular subject matter of any given research. The criticism of the one-dimensional view of power could be valid if the researcher were interested in the distribution of power between groups or areas within an organisation or territory, as Lukes notes:

> In brief, the one-dimensional view of power cannot reveal the less visible ways in which a pluralist system may be biased in favour of certain groups and against others (Lukes, 2005, p.39).

But if the research is not concerned with how authority is distributed but, rather, how much authority exists to be distributed, as in the case of my research which is concerned with how much authority local councils have over their territories, then such concerns are not of any interest. Hence, as with Hooghe et al., Dahl's definition serves my purpose well.

There are also issues relating to the operationalisation of my measures if a two-or three-dimensional view of power was employed as the underpinning concept. Hooghe et al. restrict their definition of authority to the one-dimensional view which, for them, relates only to the power sub-national government has to get their citizens and other entities to do something they would not otherwise do, which is normally revealed through written constitutions and legislation that can be tracked and recorded. To go beyond this level of analysis would require one to, in Hooghe's et al. words:

….. take into account party structure, partnership, regional and national leadership, public opinion, and much else besides (Hooghe et al., 2010, p.5).

Such an approach would require a research effort beyond the scale and scope of a PhD.

2.7.1 Formal and Informal Authority

One aspect of Dahl's definition of authority, as adopted by Hooghe et al., is that it relates to formal authority. But is it necessary to restrict all observations of authority to explicit and binding rules? In a federal system, the authority of sub-national units of government over their territory is usually set out in a written constitution and thus could be considered as formal authority as defined by Hooghe et al. In a unitary system of government with no written constitution it is less easy to place reliance on such a definition of formal authority. In a unitary system such as the Westminster system, the level of authority that sub-national government is allowed to exercise over their territory changes on a continuous basis and, while such changes often occur because of new legislation, this is not always the case. There are numerous examples of legislation that was intended to change how local authorities operate but actually had no effect. There are also examples of non-statutory action that have resulted in changes in the way local authorities exercise authority over their territories, such as forms of audit and inspection and the ways local authorities prepare and respond to them. I have, therefore, chosen not to limit my evaluation of authority to formal authority as defined by Hooghe et. al (2010), although I make no claims that such considerations extend the concept of authority beyond the first dimension as described by Lukes.

2.7.2 Authority as Legitimate Power

Hooghe et al. (2010, p.5) note that *authority is legitimate power.* This statement does not in itself add to Dahl's definition, but it does enable us to be clear that within the context of democratic law-based administrations, the power local authorities exercise over their

territories is legitimate authority, as envisaged by Weber. In the context of Dahl's definition of authority/power it follows that:

> Authority in organizations exists when participants do what is required of them by virtue of their organizational roles. For instance, incumbent A's role authorizes him to ask of incumbent B that he do something, and incumbent B, recognizing the requirements of his formally assigned role, complies (Rudolph and Rudolph, 1979, p.206).

But, of course, concerns about legitimate authority and what is meant by it are not recent. Socrates, in Plato's dialogue the *Crito* (Simmons, 2002), is probably the earliest reference on the subject, raising questions as to the obligations of 'B' in respect to 'A'. Acceptance of the legitimate authority that 'A' has over 'B' is not simply a matter of blindly abiding to the laws of the land. There is a more complex and moral reasoning that legitimises the authority of the state, be it local or national, than simply coercion to comply or punishment if 'B' defies. Again, Simmons notes:

> It is common to suppose, in short, that (some) governments possess more than merely the power to threaten punishment and coerce compliance; they possess as well genuine authority over their subjects, a moral "right to rule" in the ways they do (Simmons, 2002, p.17).

Simmons' statement is not without controversy in the context of English local government, as Copus (2016, pp.9-10) points out, that although councils' choices are legitimised by the public vote, they are contested, both locally, through a complex series of governance networks, and nationally, through central controls, which is explored further in Chapter 6.

2.7.3 Limitations

The level of authority that councils collectively exercise over their territory is not just a matter between central and local government. Such a view would be simplistic, but it does not follow that the analysis of different levels of authority held by local government is not important. In many ways in a Westminster style unitary systems of government (with or without a written constitution), it may be the case that central government can, if it so chooses, determine the level of authority local units of government can exercise over their territory. Most importantly, central government can 'by-pass' local government (particularly without a written constitution) and confer authority directly to institutions and individuals that exist and operate within the territory of a local authority; as such, this would represent a loss of authority for the local council and possibly central government as well. In such a situation, the binary concept of centralisation/decentralisation is not helpful as it does not help us understand the level of authority exercised by local government. It is not always the case that, as local government loses or gains authority, central government gains or loses by the same amount. In other words, levels of authority within a territory are not contained within a sealed central/local government unit – it is not a zero-sum game. A good example in England is provided by the ownership and control over what was once termed public utilities. When they were nationalised, it is clear authority passed to central government from local government (which lost the ability to deliver such services) but, although privatisation reduced central authority, this did not affect the level of local authority; rather authority flowed to the private sector.

In section 2.4 above, I traced the development of our understanding of the concept of decentralisation from the simple transfer of authority from a higher level of government to a lower level of government, through to the 'modern definition' of decentralisation where there is not one *centre* but many and *local* does not just apply to local government. Such changes in

our understanding raises the question, is it still possible to describe a transfer of power from central government to local government as decentralisation? It could be argued that it is an oversimplification in the sense that it would fail to take account of the supra national and non-governmental factors considered by Cheema and Rondinelli (2007) or the localism and governance issues raised by Lowndes and Sullivan (2007), but would it be misleading? This dilemma could best be examined by way of example. Changes to the education system in England between 1979 and 2010 resulted in a major loss of authority for many local councils and would thus be described using the traditional definition, as centralisation. However, many would argue that, at the same time as reducing the authority of LEAs, significant levels of authority were passed directly to a large number of schools, which could be described as decentralisation (Pollitt et al., 1998, pp.102-123). In the above example local authorities lost authority to the centre and the local or, as Copus explains it: 'Local government is then rhetorically squeezed from above and below, at the same time'. (Copus et al., 2017, p.29)

While much of the academic analysis favours a narrative whereby local governance has replaced local government, in full or in part, as the basic unit of analysis of local service delivery, does it follow that this should lead to a change in the measurement of the authority of local government? I have concluded, admittedly without a detailed analysis of the development of local governance, that it would not be appropriate to do so. My reasons for this conclusion are a combination of practicalities (the difficulties of capturing meaningful data from so many diverse organisations – see section 2.6 above), the theoretical stance I have adopted (Section 2.2), the continued relevance of local government as a unit of political analysis (Chapter 3) and, finally, the relatively long-term nature of my research period (also Chapter 3).

2.8 Conclusions

The literature on devolution, decentralisation, centralisation, and authority refers to the wide range of definitions that are employed and, in the process, often proffers new definitions to add to what is already an extensive list. This discourse is entirely understandable as scholars seek to understand these complex concepts in different circumstances. The more recent definitions are, in general, more sophisticated than the earlier ones as they seek to explore phenomena beyond formal structures and institutions, typified by a change of focus from 'government to governance.'

In this chapter, I have attempted to provide a comprehensive review of the changing comprehension of the concepts of devolution, decentralisation, centralisation, and authority. Overall, I have adopted a traditional approach to defining centralisation/decentralisation and authority, concluding that such approaches are more helpful for any attempt to measure the levels of councils' authority over time in the English context – building on the classical analyses of Weber and Dahl. The definition of authority used in this research is: The ability of A to get B to do something that B would not otherwise do through the use of legitimate power exercised and determined by A. Having outlined the theoretical position of my research and clarified my understanding of the key concepts of, particularly, decentralisation and authority, the next chapter consider how and why researchers have previously measured decentralisation.

CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

Chapter 3 outlines the research philosophy and how the research is structured. It is based on four key research questions:

1. Is it possible to measure levels of authority over time at the level of local government?

2. Can existing research based at the regional level be transferred in whole or in part to the local level of government?

3. How can authority as a concept be operationalised for the purpose of measuring changes in the levels of centralisation/decentralisation at the local government level?

4. How has the level of council authority changed in England between 1945 and 2015?

My research is about measuring - what to measure, when to measure and how to measure. The first section of the chapter sets out the ontological and epistemological position of the research, followed by an examination of the mixed methods single case study approach. I explore the reason and subject of the case study, including a consideration of strengths and weaknesses. The research follows a step by step approach (see Figure 1 below), which aims to translate theoretical concepts into a single numerically based index. The limitations of the research design are also considered, along with ethical issues.

3.2 Research Philosophy, Ontology and Epistemology

Ontology is about the nature of reality and epistemology is about what we can know given the form and nature of the world we perceive. Although contested by post-structuralists, this research takes the position that ontology precedes epistemology, given it is not logical to

determine what we can know about the world before we have reflected on the nature of reality (Hay, 2007, p.116).

Many scholars, including Furlong and Marsh (2010), distinguish between two broad ontological positions. Foundationalism, also termed objectivism or realism, considers that there is a real world, independent of our knowledge of it. In other words, according to Bryman (2016, p.29), the phenomenon under scrutiny has a tangible reality of its own, independent of those who study it, possessing an objective reality. The second ontological position is anti-foundationalism, which posits that the world is a social construct. As Bryman (2016, p.29) argues, such a consideration must lead to the conclusion that it is simply not possible to establish a definitive position on any particular social phenomenon; rather, each individual researcher presents their own version of social reality. Indeed, it is not even possible to be objective because, as Furlong and Marsh (2010, p.185) note, the researcher lives in the social world and is therefore affected by it. The two ontological positions, therefore, raise fundamental questions as to what we can know about the world and, therefore, what epistemological position should be adopted.

Following from the ontological position, epistemology can be considered in two ways. From a foundationalist ontological position, a positivist epistemological position is generally adopted. From an anti-foundationalist ontological position, the most common epistemological position is interpretivism or constructivism. Essentially, the positivist position relates to the methods used in natural science whereby, as Bryman (2016, p.24) explains, it is possible to gather facts that lead to basic laws. Interpretivism rejects the possibility of the scientific experimentation advocated by the positivists, emphasising *understanding* in contrast to positivists who generally seek to *explain*. My research questions are based upon a foundationalist ontology and a positivist epistemology. This research seeks to develop a numerically expressed index demonstrating the level of authority local councils exercise over

their territories over time. By operationalising an abstract concept (authority), it is not possible to create a simple measure such as, say, temperature, but it is possible to construct an indicator that is capable of expressing a numerical value that relates to differing levels of authority. As Bryman (2016, p.152) notes, such indicators can be treated as if they are measures. In developing measures that seek to explain changing levels of authority in numerical form only a foundationalist and positivism position are the appropriate ontological and epistemological position.

3.3 Research Design

A research design provides a logical framework that enables the researcher to carry out his or her investigations in such a way that they can answer their research question (Burnham et al. 2008, p.39, Bryman, 2016, p.40 and Yin, 2014 p.28). For my research, it was apparent that the most obvious research designs were either historical analysis or a case study. Yin (2014, p.9) provides some helpful considerations for the researcher to employ in selecting his or her research design, namely, the type of research question, the control over events and whether the research focusses on contemporary or entirely historical events. I was conscious that at the heart of my endeavours was the production of the Local Authority Index (LAI) that would show, graphically, changing levels of authority at the local level of government in England, between 1945 and 2015. It would follow that a great deal of my research would focus on the events affecting central/local relations over this 70 year period, leading to the conclusion that the most relevant research method would be historical analysis. However, while the production of the LAI is a critical aspect of my research, it is not the only requirement and, indeed, it only directly addresses one of the four research questions.

The first two research questions address the possibility of measuring centralisation/ decentralisation at the local level and whether existing research at the regional level can be transferred to the local level. The third question asks if the concept of authority can be used in

this measurement. One method of answering these questions would be to engage in a generalised discourse on existing regional level research and to conclude by identifying appropriate measures to be applied at the local level to measure centralisation/decentralisation. However, such an approach would be prone to conjecture and would ultimately be untested. I concluded that, in order to answer these questions, it would be necessary to try and apply existing regional level research to the local level in a particular country or countries and to actually measure changing levels of authority over time. Such requirements led me to the conclusion that a case study could be the most appropriate research design.

3.3.1 The Reason for a Single Case Study Design

Most of the existing research into changing patterns of centralisation/decentralisation at the regional level is based on comparative studies across a range of countries. The most developed comparative research such as Hooghe et al (2010) and, more recently, Hooghe et al. (2016), uses multiple-case studies (profiles), drawing on multiple sources of evidence to enable them to score their measures and construct their Regional Authority Index. The resources required to carry out this work were significant. Hooghe et al. (2016) were supported by a team of eight research assistants; other indexes similar to the LAI (in terms of subject area) such as the EIU Democracy Index, and the OECD Fiscal Design Surveys are carried out by international institutions. As Yin notes:

> …. the conduct of a multiple-case study can require extensive resources and time beyond the means of a single student or independent research investigator. Therefore, the decision to undertake a multiple-case study cannot be taken lightly (Yin, 2014, p.54).

I accept that there can be advantages to the use of a multiple-case study approach as compared with a single-case study approach. For example, Herriott and Firestone (1983, p.14) note that multi-case studies (referred to as multi-site studies) 'strengthen its ability to generalize while preserving in-depth description'. However, I conclude that a multi-case study approach is beyond my means and thus I have adopted a single case study approach. Before considering the choice of case study I think it worth noting that multi-case studies leading to comparative analysis is not without problems in relation to the specific concerns of my research.

The choice of a single case study approach has value in that it allows the researcher to concentrate on a specific area of interest where all available resources can be concentrated, revealing nuances that are often overlooked in multi-case studies. The more nuanced approach can then be used to inform any critique of more extensive comparative studies.

3.3.2 Case Study Selection

Having concluded that it was not within my means to carry out multiple-case studies, I needed to select a single case study in order to respond to the first three research questions and define the fourth one. In choosing my case study, I was conscious of Denscombe's (2017, p.56), advice that case studies require clear boundaries, which are self-contained and distinct. Although all the comparative studies reviewed in Chapter 4 include the UK as a single sovereign entity, since 1999 the UK comprises of three new sub-national governments with significant differences in devolved powers. The complexities and nuances involved in UK devolution to the 'nation states' add a whole new dimension, which was not apparent between 1945 and 1999, and what is more they did not cause any changes to the English settlement relevant to the measurement of English local authorities until (arguably) after 2015. It is my contention that a 'distinct and self- contained' study with clear boundaries would most appropriately confine its interest to English local authorities.

The general view of most political scientists is that countries around the world are becoming less centralised and more decentralised but, as Lane & Ersson (1994, p.215) state, 'As a matter of fact, only the UK appears to have moved in the opposite direction'. Intriguingly, Cox et al. (2014, p.3) note that England has become one of the most centralised nations in the developed world but 'it was not always this way'. The literature on UK local government, which I review in Chapter 6, portrays an almost universal picture of decreasing authority, raising significant academic and policy concerns. The expectation, therefore, would be that any detailed measurement of the different levels of English councils' levels of authority would identify an overall decline. Although such a conclusion should not result in a predetermined position in terms of my measurement of centralisation/decentralisation it does provide an opportunity for what I refer to below at 3.4.11 as a 'sense check'.

In Chapter 4, I identified three main groups/traditions that the measurers belong to and it is clear that the federalist group is numerically dominant and thus concerns about federalism often determines the development of many of the measures of centralisation/decentralisation. I considered it would be useful to develop measures relevant to a unitary state (perhaps even an extreme example), so that comparisons can be made with the 'federal' measures. While there are considerable concerns about the loss of authority of English councils, I am not aware of any attempts to carry out a systematic measuring of this phenomenon. There are, however, a number of studies that consider differential levels of authority of the UK nation states including Hooghe et al. (2010). The expectation is that by selecting England as my case study this void can be reduced.

3.3.3 Case Study Definition

The time period for the research covers the post Second World War epoch up to the end of the Conservative/Liberal coalition government in 2015. It was important in terms of developing a year-by-year measure of authority for it to be a continuous period, with no gaps.

The Second World War was a wholly exceptional event that totally changed central/local relations and the 'independence' of local councils in England for the duration of the conflict, which would have resulted in a six-year gap in the Local Authority Index (LAI). The year 2015 not only marked the end of the coalition government but also the start of the combined authorities (CAs) with the appointment of the first interim mayor in Greater Manchester. While much research has already taken place on CAs (Sandford, 2019 and 2020), it is still unclear to what extent this initiative represents a move towards 'English devolution' or a partial recalibration of central/local relations. The fact that government statements are made about greater levels of local autonomy is not enough, in itself, to be taken into account. The LAI requires 'real life events' to have taken place and a level of confirmation in the academic literature, which has yet to emerge in any coherent form concerning the CAs in general and changing levels of sub-national authority in particular.

3.4 Methods of Data Collection and Analysis

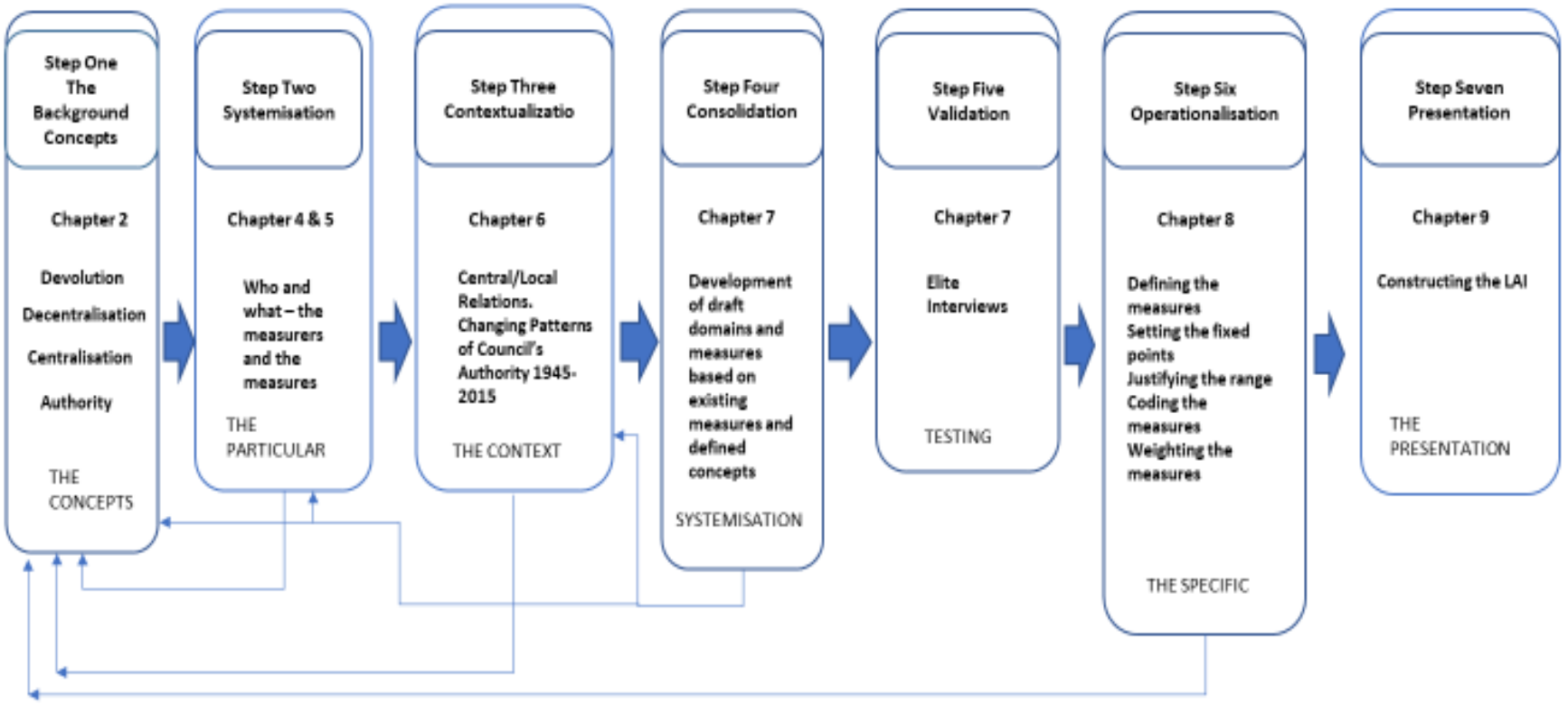
I adopted a mixed methods approach combining both quantitative and qualitative methods of data collection. The draft measures were developed by reference to secondary sources and interviews with the elite respondents as detailed below. However, as part of the validation process, the respondents were also asked to quantify how important they felt the individual draft measures and (initially) domains were, in terms of the exercise of council authority over their territories.

It is the essence of my approach to look at events and developments that affect the level of authority that local councils have had over their territories over time and to ascribe a score to them. It is critical, therefore, that the scores that relate to the events are as valid as they possibly can be and reflect authority as a concept. This conundrum was extensively examined by Adcock and Collier in 2001, p.529, who noted that, 'Measurement validity is specifically

concerned with whether operationalization and the scoring of cases adequately reflect the concept the researcher seeks to measure'.

In order to ensure that my measures do adequately translate the concept of authority and reflect the events that took place between 1945 and 2015, I have, in a modified form, adopted the Adcock and Collier approach, which provides a schema for my research as set out below in Figure 1. Essentially, I developed seven steps that translated the concepts of authority and centralisation/decentralisation into the LAI. The seven steps involved different data collection methods which are now considered in turn. The first four steps involved extensive literature reviews covering concepts (devolution, decentralisation, centralisation and authority), the particular (the measurers and the measures), the context (central/local relation in England between 1945 and 2015) and systemisation (the development of draft domains and measures). The fifth step, which I have called testing, concerned the validation of the draft domains and measures through the use of elite interviews. The sixth step involved mixed methods in the operationalisation of the specific measures to be used in the LAI. The final step was the presentation stage, which involved quantitative considerations in the construction of the LAI.

Figure 1: Thesis Schema



Source: Adapted from Adcock and Collier 2001 by the Author

3.4.1 Defining the Concepts

Adcock and Collier (2001, p.532) consider that identification, systemisation, and conceptualisation of background concepts is the starting point for developing a robust research framework particularly for validation purposes. They also note the importance of providing a full account of the concepts underpinning any research (See Chapter 2). The defining concept of my research is authority, which underpins the development of the measures and ultimately the LAI. The other important concept is decentralisation and associated phenomena which guides the measures but does not determine them. Authority as an underpinning concept has been used by a number researchers in developing measures of centralisation/decentralisation, most notably Stephens (1974) and Hooghe et al. (2010). Stephens largely developed his own theoretical position on authority/power whereas Hooghe et al., 2010, p.5, consider that a 'standard political science definition' is sufficient and refer specifically to Dahl. My initial conclusion was, like Hooghe et al., that Dahl's definition would serve my purpose well i.e. 'A has power over B to the extent that he can get B to do something that B would not otherwise do' (Dahl 1957 p.203). However, as noted by Bryman (2016, p.6), I needed to know more about what controversies and clashes exist regarding Dahl's definition, and to achieve this I carried out a narrative review of the phenomenon of authority and power. The review covered approximately thirty publications and is set out in Chapter 2.

3.4.2 Identifying Existing Domains and Measures - Systemisation

The second literature review concerns the developments in measuring centralisation/ decentralisation since the 1960s. The overall purpose of this literature review is critical in providing a platform for the development of my own measures and in answering my research questions, but it also seeks to address the issues normally associated with a narrative review set out, for example, by Bryman (2016, p.94):

- What is already known?
- What concepts and theories are relevant?
- What research methods were used?
- Are there any significant controversies?
- Are there inconsistencies?
- Are there unanswered questions?

The starting point for my literature review of the measurers and the measures was Hooghe et al. (2010, pp.34-37) who identified seven other indices which I critically reviewed. Some of the authors of the seven indices referred to other measurers which were reviewed in turn. Altogether 25 measurers and 28 measures were identified and considered in Chapter 4 and 5 respectively. The analysis of past measurers and measures broadly followed the approach advocated by Hart (2014, p.111) which firstly 'unpacks' the different approaches, then groups them into similar approaches, followed by an explanation of the approaches and, finally, to offer a critique.

3.4.3 Context of the Research

The third literature review involved an exhaustive review of English central/local relations between 1945 and 2015 based primarily on a 'snowballing' approach. The literature review included the following sources:

- Academic research on English/UK central/ local relation (93)
- Political biographies (5)
- Statistical abstracts (31)
- Government and committee reports (32)
- Political manifestos (32)
- Publications relating to specific policy scope areas (119)

- Law books (2)
- Acts of Parliament and circulars (10)

Although following Bryman's (2016, p.94) 'check list', I was particularly interested in identifying what were considered important developments in the changing levels of council authority. The literature is dominated by an analysis of central/local relations and the centralisation of certain functions, increased central operational controls and financial constraints, rather than understanding and quantifying the changing levels of local councils' authority. Such a situation is perhaps not surprising, and, in any event, it did not prove particularly problematic to isolate and highlight the events that were relevant to my research. The literature relating to specific policy areas proved particularly helpful and was sufficient to identify all the relevant developments.

3.4.4 Development of Draft Domains and Measures

Chang (2004, p.206) notes that the first step in the operationalisation of abstract concepts to develop measures is 'to find a concrete image of the abstract system that defines the abstract concept'. The second step is to 'find an actual physical system of entities and operations that matches that image'. Although Chang was examining the measurement of physical scientific phenomenon (temperature), his approach resonates with my research, in particular, how to resolve the issues raised by many of the measurers identified in Chapter 4, who consider that it is not possible to develop single measures of an abstract concept. In examining the development of central/local relations and the changing patterns of councils' authority in Chapter 6, I was able to identify what scholars considered to be the critical factors in determining the level of authority of local councils – 'the concrete image'. The 'actual physical system of entities and operations' were selected from the domains and 28 measures identified in Chapter 5. The 28 measures were selected with reference to the following criteria:

- Relevance to a Unitary system of Government
- Relevance to the concept of authority
- Relevance to the English context

In Chapter 6, I consider the important developments that took place in England between 1945 and 2015 concerning central/local relations and the changing patterns of council authority. This analysis enabled me to complete both chapters and led me to develop my own draft domains (three) and measures (19) that are both robust and relevant in the English context.

3.4.5 The Importance of Validating the Draft Domains and Measures

In excluding 10 of the 28 measures identified in Chapter 5, I was acutely aware that many of them have been used by leading scholars and international organisations in determining levels of centralisation/decentralisation. But, as noted above, not all the measures are relevant both to the English context and my use of concepts such as decentralisation and authority. Adcock and Collier (2001, pp.529-530) recognise this problem, calling it 'contextual specificity of measurement validity'. Two important issues arise in introducing a novel collection of measures; firstly, it does not help in the quest for universal explanation to this particular phenomenon and, secondly, there is a real danger that the use of inappropriate or irrelevant measures could produce false results. Regarding the first point, it would be wrong to assume that the measurers of centralisation/decentralisation that I have reviewed have been moving towards a universal set of measures. Indeed, a range of measures are used and discarded at different times with little obvious universalising tendencies. The second point is probably the most important, in that if a significant number of measures are used which are not relevant to a particular country then there is a real danger that a misleading result could occur. In an extreme example where no or very few measures are relevant, in a study over time, the most likely result would be that little or no change is detected. This is in part the explanation of why Hooghe et al. (2016, pp.415-416) in a comparative study of over 80 countries concluded

that for English County Councils there was no change in their level of authority between 1950 and 1980, which the literature on central/local relations shows not to be the case. I will return to the usefulness of single country studies as compared with comparative studies in my final chapter.

Although the 19 draft measures were critically reviewed as part of my examination of all of the existing 28 measures in Chapter 6, their validity had not been challenged by any external means. Furthermore, at the draft stage all the domains and measures were considered of equal importance in terms of their effect on levels of authority and this proposition also needed to be tested. My two requirements to turn the draft domains and measures into final components of the LAI required both quantification and discussion. Such an input needed a high level of expertise and experience including the possibility of an in-depth discussion on any 'outlying' responses. These requirements led me to the conclusion that elite interviews would be the most appropriate technique. Denscombe (2017, p.203) notes that interviews in general are appropriate when the researcher seeks to explore opinions, complex issues and privileged information as is the case with my own research.

3.4.6 Elite Interviews

The elite respondents were drawn from English local authority Chief Executives, Council Leaders, local government experts and one former senior civil servant. The selection of respondents was based on reputation and the need to obtain a good cross section in terms of party-political allegiance, type of local authority and gender. As a past local authority Chief Executive, I have personal contact with a significant number of English Leaders and Chief Executives and, as such, I was in a fortunate position to approach some of the UK's leading practitioners and local politicians and achieve a very high acceptance rate. In order to ensure a greater challenge to my financial measures I also sought the involvement of the Chartered Institute of Public Finance and Accountancy (CIPFA) which is the leading professional

accountancy body for the public sector. I also considered the benefits of including respondents outside local government, including commentators and senior civil servants. The full list of respondents is included at Appendix 4. Eight former and existing Chief Executives agreed to be interviewed and came from a County Council, District Councils, and Metropolitan Councils. The seven existing or former Council Leaders came from all types of English Councils and represent all the main political parties as well as the leader of the Independent Group of the LGA. Although I approached three senior, former civil servants only one agreed to be interviewed, namely Lord Bichard, former Permanent Secretary at the DfES and former local authority chief executive. The two 'external' experts were Andy Burns who was President of CIPFA in 2018 and Mike Burton the Editorial Director of the Municipal Journal (UK local government trade paper).

Prior to carrying out the interviews, I piloted my proposed approach in January, 2018, with a senior local government lawyer who had also worked in the Civil Service. He made a number of suggestions including better explanation of my interpretation of concepts, such as authority and decentralisation, and the provision of more information about my research for the respondents prior to the interviews. As a result of the pilot, I was satisfied that the planned length of the interviews (one hour) and the level of detail I required was achievable.

The interviews took place between March and June, 2018, and, with one exception, the venues for the interviews were chosen by the respondents and included workplace offices, hired office space and the House of Lords. Approximately two weeks before each interview the respondents were sent the following items:

- Interview guide (Appendix 5)
- Participant information sheet (Appendix 6)
- Measures pro forma (Appendix 7)

- Consent form (Appendix 8)

The conduct of the interviews, which I planned to last about one hour, were semi-structured based on a previously prepared protocol (Script) (included at Appendix 9). I chose not to share my protocol with the respondent and allowed the respondents to deviate from it so that, as Burnham et al. (2008, p.241) note, '…..it gives insight into what the interviewee sees as relevant and important'. At the beginning of the interviews I took the opportunity to confirm the respondent's permission to use a tape recorder and requested that they complete the consent form. After I informed the respondent of the background and purpose of my research, a discussion took place on every draft measure to ascertain what they understood the domains and individual measures to be in terms of coverage, definitions, and characteristics. I did make the point that I did not expect them to help me define the measures in detail as I considered this unreasonable, not least of all because of the time constraints.

During the discussions on the financial measures, I also took the opportunity to explain why I had excluded some of the popular measures which are identified in Chapter 5, such as the proportion of subnational revenue as a percentage of total public sector revenue. I also encouraged the respondents to consider if any measure had been overlooked. Four additional measures (two finance, elections and governance) and one deletion (fire service) were proposed which are discussed in Chapter 7.

Although I structured the interviews around a pre-prepared 'script', I allowed and often encouraged the respondent to continue the discussion even after the 'question was answered'. This relaxed approach was particularly effective when it became apparent that some of the respondents had not prepared for the interviews. Although my main objective was to seek validation for the three draft domains and 19 draft measures, I was also interested in the

respondents' own views on possible alternative domains and measures or, as Dexter (2006, p.19) puts it, to let the 'interviewee teach the investigator'.

Prior to the interviews, ethical approval was sought from the University of Birmingham, Humanities and Social Science Ethical Review Committee, which was given on the 13th June, 2017. Denscombe (2017, p.337) notes 'social researchers are expected to approach their task in an ethical manner' which requires careful consideration of how their research affects all those involved in it. My primary concern was for the interview participants and, in particular, that they understood the purpose of the interviews, that they were aware of what they consented to in agreeing to be interviewed, were given the choice of anonymity and that the information supplied to me was appropriately protected. The application for ethical approval (agreed by the University of Birmingham) and the approval e. mail are included at Appendix 10.

Although the elite respondents are not vulnerable individuals, I was conscious that my research should not result in any negative consequences for their careers or personal standing. On a number of occasions, I reassured respondents that I would only use certain statements they made in the interviews after their prior approval. However, this situation did not arise in the course of my research. The interviewees were informed that the audio tape would be transcribed by a trusted third party and that copies would be made available on request. No participant requested anonymity and no transcript was requested.

Although I perceived elite interviews as an effective method of validating and weighting the draft measures and possibly domains, I was conscious that there could be drawbacks. The advantages and disadvantages of elite interviews are set out below. (Denscombe, 2017, pp.220-221) The advantages include:

- Depth of understanding

- Providing a challenge
- Depth of questions
- Flexibility of approach
- Certainty of response

In terms of depth of understanding, all my respondents were extremely knowledgeable about local government and it was easy for them to share this on a face-to-face basis. The respondents could, and indeed did, challenge some of my assumptions, leading me to strengthen some elements of my underlying concepts. Lord Bichard in particular questioned my limited definition of locality. Although I was unable to change my research focus from local government to local governance, it did lead me to provide a full explanation of my choice in Chapter 2 (p.37).

On a number of occasions, it was necessary to question the interviewees about some of their answers in order to seek clarification and greater understanding. This would have been difficult if I had used questionnaires. With semi-structured interviews it is possible, as Denscombe (2017, p.221) notes, to adjust the lines of enquiry to develop unplanned new insights into the subject thus allowing a more flexible approach. There is also flexibility to change the style of the interview to move from an interview to a discussion. Having agreed to the interview, all were successfully completed. This may not have been the case with questionnaires, which often have a low response rate.

The disadvantages of elite interviews include:

- Validity of the data
- Interviewer effect
- Consistency

As Denscombe (2017, p.221) notes, ‘interviews are based on what people say’ and this

‘cannot automatically be assumed to reflect the truth’. But in all instances, I was looking for the opinions of the informants. Some were well argued, others less so, but they all represent their opinions and perceptions. In responding to the question, ‘How do you know if the informant is telling the truth?’ Dean and Foote-Whyte argue that:

> The informant’s statement represents merely the perception of the informant, filtered and modified by his (sic) cognitive and emotional reactions and reported through his personal verbal usages (Dean and Foote-Whyte, 2006, p.101).

While I cannot be sure that the respondents’ statements were all factually correct, I am confident that they did represent their opinions at the time of making them.

The style and conduct of the interviews were influenced by my prior acquaintance and, in some cases, friendship with the respondents, which helped in terms of research access and establishing a good rapport with the respondents over a short space of time. All the interviews were friendly, honest, open, and constructive and it was clear that the respondents wanted to help me with my research. Such a situation does not, however, necessarily undermine the academic rigour of the process, although potential disadvantages associated with the interviewer effects do need to be considered, including selection bias and the tendency of respondents to, as Denscombe (2017, p.179) puts it, fulfil ‘the perceived expectation of the researcher’. In terms of selection bias, the respondents were drawn from the widest possible range of English authorities as outlined above. In terms of perceived expectations of the researcher, I considered this less likely to have occurred with my choice of respondent, as although they wanted to help in my research, they all maintained their own strong opinions and it was not their motivation to please me. There were several occasions when the respondents clearly indicated that I would probably not agree with them, but I assured them that it was their views I was interested in.

All the interviews were recorded and transcribed. The various scores were analysed, which

enabled me to reflect on the reliability and validity of the interviews in terms of the appropriateness of the domains and measures, and the use of the scores as a weighting mechanism. A copy of the transcript was made available to respondents on request within four months of the interview.

Denscombe (2017, p.221) notes that another disadvantage of interviews is that it is sometimes difficult to achieve consistency in responses and the responses to interviews do not always 'reflect the truth'. In considering the disadvantages of interviews Denscombe notes:

> The data from interviews are based on what people say rather than what they do. The two may not tally. What people say they do, what they say they prefer and what they say they think cannot automatically be assumed to reflect the truth (Denscombe, 2017, p.221).

Equally, people sometimes remember what they wanted to have happened rather than what happened. I certainly experienced this issue. However, while I sought to address this concern through advanced circulation of a written interview guide and 'participants' information sheet' together with polite challenges during the interviews, I think it must be accepted that in attempting to draw out people's opinions it will seldom if ever result in consistency or total truthfulness.

3.4.7 Validating the Draft Domains and Measures

For the validation process, I simply asked the respondents how important they considered the domains and measures to be in terms of authority. Although these questions primarily related to the weighting exercise, it gave the opportunity for the respondents to question the very inclusion of the measures in the LAI. I also asked the specific question about what measures I had omitted but I was conscious that this could be difficult for the respondents to answer especially if they had not prepared for the interview. To facilitate as useful a response as

possible, I changed my approach, dependent on how confident the respondents were in answering my questions, as Oakley (1981, p.41) notes, to help and empower the respondents and as Denscombe (2017, p.210) puts it 'respond with feeling and to engage in a true dialogue'. In general, I was keen to encourage a real challenge to the validity and relevance of my draft measures including the assumptions upon which they were based. As Leech (2002, pp.6-7) and Dexter (2006, p.19) note, elite respondents are often 'unwilling to accept the assumptions which the investigator starts with'.

3.4.8 Scoring the Domains and Measures

As well as validating the draft domains and measures, the elite respondents were also asked to score each domain and measure out of 10 in terms of its relative importance to measuring councils' level of authority, with 10 being the most important as set out in the pro forma included at Appendix 7. The scale chosen was neutral, which differs from the approach of others such as Hooghe et al. (2010, pp.14-30) who varied their score range from 0-2 through to 0-4. By having different ranges of scores Hoogue et al. are clearly demonstrating that some measures are more important than others. Benoit and Laver (2006, pp.87-88) in their expert survey justified their scale (1-20) to maintain comparability with other similar studies and to allow the experts to distinguish the possible different positions of a large number of political parties. In the case of my research, there is no benchmark to follow and my respondents were not required to distinguish between different measures as they could have scored every measure the same. In all important respects, the score range I chose had no material effect on the LAI and thus I kept it as simple as possible.

By forwarding the measures' pro forma before the interview I had hoped that most respondents would have already considered the scores; however, only one interviewee completed the pro forma. In practice, the lack of completed pro formas was not problematic, as completing the pro forma during the interview gave the opportunity for the respondents to

explain why they had attributed their scores to the measures and domains. In particular, the respondents were asked to give a score on the basis of their experience in and of local government.

The approach taken in seeking scores from my respondents on the draft measures and domains was similar to that employed in expert surveys often used in studying the positions of political parties. The aim was to capture the expert opinion of elite actors in local government resulting in a mean score which was then used to weight the measures. Lindstadt et al. (2015, p.2) notes that the primary objective of such surveys is to aggregate the experts' knowledge. Although the respondents were not necessarily particularly informed about the measurement of authority, they were very well informed about what matters and affects councils' authority and, as Lindstadt et al (2015, p.2) note, such respondents have a latent concept of what the researcher wishes to measure.

Before starting the interviews, I considered applying an additional weighting to each measure based on the domain score provided by the respondents or to ignore the issue of domain weighting entirely. I considered that both approaches were theoretically valid and to determine a way forward I took a pragmatic approach to uncover whether different approaches resulted in different presentations of the LAI. If there was no significant difference, the least complicated approach would seem the most appropriate. This decision led to the introduction of a specific consideration in the methodology to determine the appropriate response to the weighting of the domains and this is set out in Chapter 7 (p.206)

A further issue in the validation of the scores was to ensure that none of the individual respondents' scores deviated significantly from the other respondent scores without justification. I chose to determine the level of inter-rater variability through the use of a statistical measures (standard deviation). Such an approach was similar to that taken in the

Capital Hill Expert Survey. (Lindstadt et al., 2015, p.3) Having identified any 'outlying scores' I sought to articulate the reasons for such an occurrence as set out in Chapter 7 at 7.5.

3.4.9 Operationalising the Final Measures

The operationalisation of the measures followed a basic approach that was consistently applied. Firstly, an ideal model for each measure was constructed that included all the elements which could determine the level of authority local councils have over a particular function or activity. Each model measure was then scored by me from zero to ten, with ten representing the maximum level of authority. Some of the models are quite complicated as, for example, PS2 Education, which comprises eight sub-sets (criteria), with 19 possible scores. Others measures are relatively simple, such as PS10 Fire, which comprises no sub-sets and only three possible scores.

Each measure was then weighted in accordance with my respondents' scores. The next step was to translate the idealised measure model to a 'real event' score based on what actually took place in England between 1945 and 2015. Each event, drawn from Chapter 6 is identified in the 'Actual Tables' in Chapter 8 which ensures transparency and allows for falsification.

Validation of the domains and measures does not necessarily assist in the development of their detailed specifications and, indeed, scores. As noted above, I felt that it was both unreasonable and impracticable to enrol the assistance of my respondents in determining the details of the measures. Rather, I relied primarily on my literature review on central/local relations which identified key events in the changing patterns of councils' level of authority.

3.4.10 Constructing the Local Authority Index

The final step of my methodology was the construction of the LAI. The LAI is simply the addition of all the weighted measures presented as a sectional or stacked bar chart,

delineating the three domains which enabled me to clearly show their relative importance and, as Denscombe (2010, p.262) notes, show a direct visual contrast (see Figure 27 in Chapter 9). One of the advantages of a single case study approach is that the results can be presented as a single graph which clearly captures the ebb and flow of authority. My approach is in contrast to most of the measurers who presented their research findings in tables. Tabular presentation has the advantage of clearly showing actual scores but is less effective in showing long term trends. It is worth noting that the construction of a single index is not without controversy as examined in Chapter 4 and, although I do not agree with such concerns, the presentation of the three domains allows for a greater level of transparency.

3.4.11 Sense Check

Adcock and Collier recognise in their measurement schema that one task after generating measures and ascribing scores is to 'explore broader issues' (Adcock and Collier, 2001, p.531). However, crucially they state that this 'task' is not considered as part of measurement validation, rather it should be considered separately. The obvious 'broader issue' of my research is the relationship between the results of the LAI and the central/local relations literature review. This stage in the research is indicated by the arrow in Figure 1.

The 'sense check' was outside of my core methodology but provided an opportunity to check the overall credibility of the LAI. The 'sense check' was not intended to be used to revise the LAI itself even if the results of the LAI proved contrary to the consensus associated with the three epochs as this would raise the problem of circularity. Adcock and Collier, in commenting on the scepticism about nomological (basic rules of reasoning) validation, note, 'If one assumes the hypothesis in order to validate the indicator, then the indicator cannot be used to evaluate the same hypothesis.' Adcock and Collier (2001, p.543). I see no inconsistency in undertaking a 'sense test' outside of the core methodology in that it was not

used to validate the LAI. Rather, it provided reassurance that the results of my research were compatible with the literature.

3.5 Conclusions

This chapter outlines my research philosophy which is based on a foundationalist ontology and a positivist epistemology. The research does not adhere to a single theoretical position but rather draws on a wide range of approaches to understanding authority and centralisation/decentralisation. The research design is based on a single case study, which was selected as the best design through which to address my research questions.

In explaining my methods, I have set out a step-by-step approach leading to the construction of the LAI. The schema draws heavily on the work of Adcock and Collier (2001). Each step employed different methodological approaches but can overall be described as a mixed methodology case study using elite interviews, literature reviews, and historical analysis. The ethical implications of the elite interviews have been explored in this chapter. A critical part of the research involved weighting and validating the measures and I have concluded that the use of elite respondents served the overall research design well in this respect.

CHAPTER FOUR: THE *MEASURERS* OF DECENTRALISATION AND CHANGING LEVELS OF AUTHORITY AT THE SUB-NATIONAL LEVEL

4.1 Introduction

Measuring decentralisation is a highly contested area of political science. Most scholars, however, agree that the task, although difficult, is important and worth pursuing. Some state that as important as it is, it is too complex to be operationalised into a single numerical measure, even when a strong theoretical framework has been constructed (e.g. Treisman, 2002). A very few argue that it cannot be done (e.g. Riker, 1964). This chapter begins with an outline of why measuring centralisation/decentralisation is important and the reasons why scholars measure, which often determines what measures they use. Secondly, I outline the four methods used by the '*measurers'* (scholars who measure centralisation/decentralisation), leading to a typology of descriptive measures, statistical measures, codified measures and single index measures. Thirdly, I identify three groups of measurers, which are set out graphically in Figure 2: federalism (subdivided into three); central/local relations; and authority. The 'schools 'of measurers are not totally discrete as there are some linkages between them (shown by dotted lines in Figure 2). Fourthly, I consider each of the measurers in turn under their prescribed group. Finally, I conclude the chapter with an examination of the achievements of the measurers.

4.2 The Importance of Measuring Centralisation/Decentralisation

Having outlined the importance of studying centralisation/decentralisation in Chapter 2, I consider why the majority of researchers conclude that the measurement of decentralisation is important and that it should be expressed numerically. The most basic consideration is that without measuring how can we be sure of the extent of any phenomenon and changes over

time? The famous dictum of Lord Kelvin (formally Thomson), expressed in his lecture to the Institution of Civil Engineers in 1883, sums up this view:

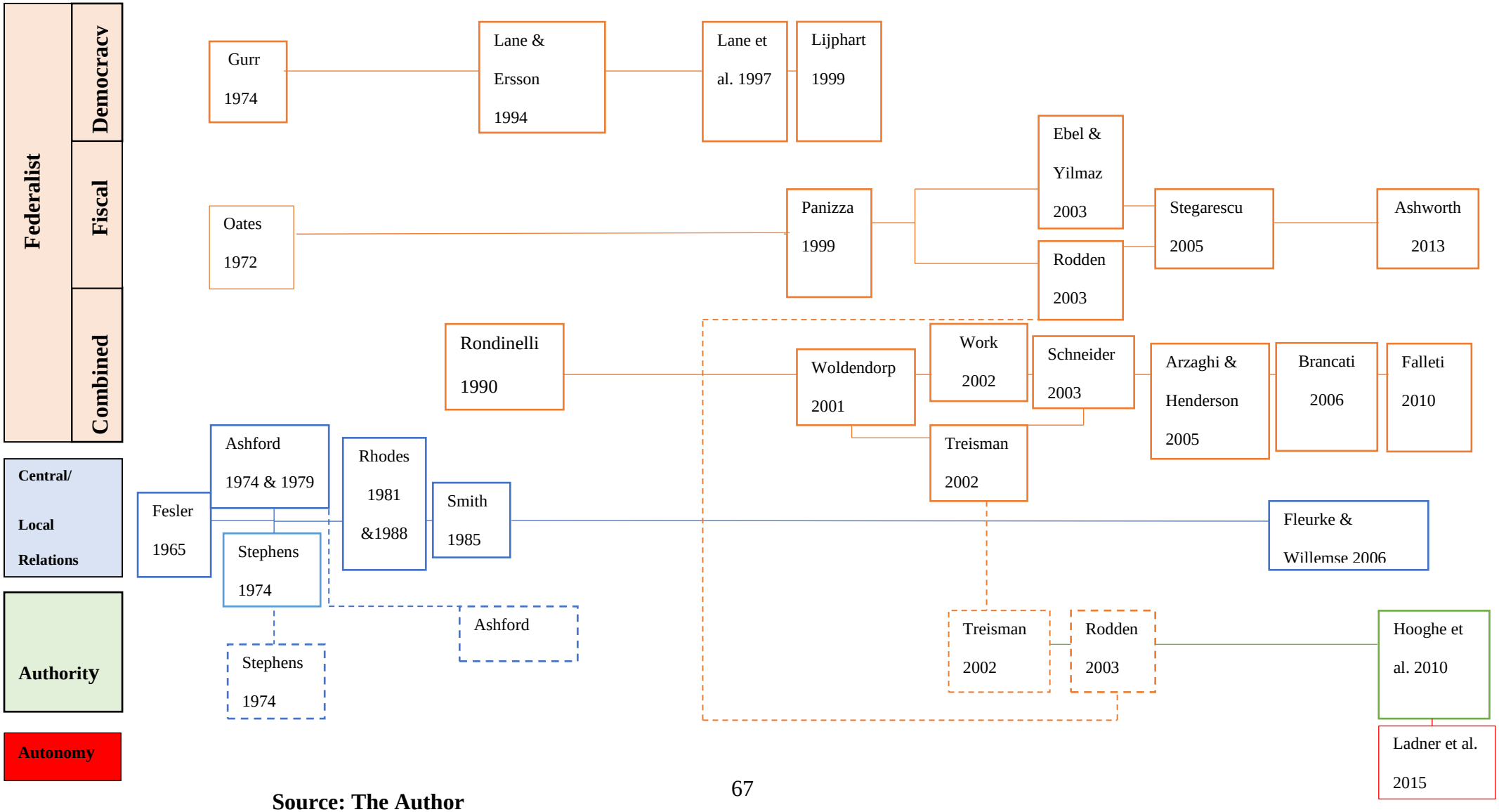
> When you can measure what you are speaking about, and express it in numbers, you know something about it; but when you cannot measure it, when you cannot express it in numbers, your knowledge is of a meagre and unsatisfactory kind (Thomson, 1896, p.73).

The topic of decentralisation is highly contested in academic research, but it is also extremely controversial in policy and political terms. My own analysis of the political manifestos of the two major UK political parties between 1945 and 2010 reveals that both claim to be the party of decentralisation and both oppose centralism. But how do we know which parties or governments are the decentralisers or centralisers, if there are no measures to assess their claims?

There is some agreement but there is also significant disagreement between researchers in terms of definitions, terminology, methods, and theory, for measuring centralisation/decentralisation. Schneider (2003, p.33), for example, believes there is little agreement on what decentralisation means and how it should be measured. He sums up the situation when he states that researchers 'often end up talking past one another'(Schneider, 2003, p.35).

Before presenting a typology of approaches to measurement it is worth considering firstly the epistemological and ontological stances of the different measurers, and secondly, whether there are any connections between them (despite Schneider's contention).

Figure 2 The Measurers



Source: The Author

In terms of the more contemporary measurers most have adopted an institutionalist approach in that the measurers focus upon the institutions that shape political behaviour. The measurers are largely not interested in the roles and actions of individuals in isolation from the institutional frameworks in which they operate; rather, it is the institutions that are of interest. Peters, who notes the difficulties of measuring political phenomena within an institutional framework, recognises that researchers can have different approaches but still have, as Lowndes and Roberts (2013, p.6) term it, a 'common proposition':

> The fundamental issue holding all the various approaches and their various components together is simply that they consider institutions are the variable that explains political life in the most direct and parsimonious manner, and they are also factors that themselves require explanation. The basic argument is that institutions *do* matter, and that they matter more than anything else that could be used to explain political decisions (Peters, 2019, p.246).

However, in the majority of cases not much is said regarding the writers' theoretical position. The situation is summed up by reference to Lowndes' comments on the 'traditional' institutional approach in political science:

> The silence regarding theory and methods actually tells us something about the approach – that it was generally unreflective on issues of theory and method, took 'facts' (and values) for granted, and flourished as a kind of 'common sense' within political science (Lowndes, 1996, p.181).

The modern origins of measuring centralisation/decentralisation in political science are deeply rooted in the study of federalism in the late 1960s and 1970s, but there is more than a single root (as demonstrated in Figure 2). It is my contention that there are four theoretical starting points for the measurement of decentralisation: *federalism*, which includes the study

of differential levels of democracy, fiscal federalism and the study of particular phenomena relating to political structures; the study of *central/local relations;* studies relating to the distribution of *authority* on a comparative basis across different countries; and a comparative study relating to changing levels of local authority *autonomy*. Outside of these four groupings, there are also important researchers who are not measurers but are extremely helpful in framing the debate.

4.3 Measuring Methods

Before considering the work of the individual measurers, I outline the four main methods that they use to develop and present their measures, creating a typology of descriptive measures, statistical measures, codified measures and single index measures.

Classifying the method of measuring is not about placing measurers within a particular theoretical framework; rather, it seeks to understand why some measurers feel that aggregating measures are appropriate while other eminent scholars consider it both unnecessary and, in fact, inappropriate. These certainties and doubts reach to the very heart of concerns about the construction of a single index to measure levels of authority in English government from 1945 to 2015.

There is no linear transition over time from descriptive measures through to single index measures. Stephens (1974) produced his single index 36 years before Hooghe et al. (2010) and throughout that time different measurers were postulating why single measures and, indeed, codified measures were and are not appropriate. Furthermore, it should not be assumed that the different typologies represent a methodological line of improvement and that, for example, a ‘single index measurer’ represents the zenith of academic achievement and the other three typologies are just steps on the way to methodological excellence. It should be noted that there are some instances when measures use different methods of

measuring. Lane and Ersson (1994), for example, codify some measures and not others. Set out below is a brief description of the four measuring methods I have identified and the measurers who use them.

Descriptive Measures (Fesler 1965; Smith 1985; Rhodes 1981,1988; Rondinelli 1990; Work 2002)

Descriptive measures primarily describe what and should be measured in order to better understand centralisation/decentralisation. In some instances, descriptive measures will also involve statistical data.

Statistical Measures (Oates 1972; Ashford 1974; Panizza 1999; Ebel and Yilmaz 2003)

Statistical measures mostly rely on internationally available financial statistics to demonstrate comparative levels of centralisation/decentralisation. Other data is sometimes used to contextualise the financial data, for example the population size, but they are not used to determine levels of centralisation/decentralisation.

Codified Measures (Lane and Ersson 1994; Lijphart 1999; Treisman 2002; Schneider 2003; Rodden 2003; Stegarescu 2005; Arzghi and Henderson 2005; Bancati 2006; Ashworth 2013)

Codified measures differ from statistical measures in that separate values or coding are ascribed to the statistics allowing both weighting and aggregation to take place but only within individual domains. Often two or three tables of centralisation/decentralisation are produced in the same study.

Single Index Measures (Stephens 1974; Gurr 1974; Woldendorp 2001; Fleurke and Willemse 2006; Falleti 2010; Hooghe et al. 2010, 2016; Ladner et al. 2015)

Unlike the codified measures, the single index measures combine all measures into a single index of centralisation/decentralisation

Having considered the measuring methods used by the measurers I now turn to the consideration of the measurers themselves under the three groups identified in Figure 2. (Federalism, Central/Local Relations and Authority)

4.4 Federalism

For many political scientists federalism is synonymous with decentralisation. Ahmad and Brosio (2009) (who are not included as measurers), commenting on the ambitious decentralisation of Belgium and Ethiopia, consider that decentralisation was achieved purely through the adoption of a federal constitution. The following is a working definition of federalism from Watts, which is widely used in the political science literature.

> A form of territorial political organization in which unity and regional diversity are accommodated within a single political system by distributing power among general and regional governments in a manner constitutionally safeguarding the existence and authority of each. Distinctive features are the distribution of authority between at least two levels of government and the coexistence of unity and regional diversity (Watts, 1991, p.228).

4.4.1 Fiscal Federalism Measurers

The theoretical background to measuring decentralisation did not begin within the context of institutionalism in political science but, rather, it was led by neo classical economics. In terms of the development of centralisation/decentralisation measurement, a huge step forward occurred with the publication of **Wallace Oates'**, *Fiscal Federalism* in 1972. Oates, in developing an economic theory of public finance, produced measures of fiscal centralisation covering 58 countries across the world. In a later publication, Oates (1999) briefly considers the theoretical frame work of *Fiscal Federalism,* noting that:

> The traditional theory of fiscal federalism lays out a general normative framework for the assignment of functions to different levels of government and the appropriate fiscal instruments for carrying out these functions (Oates, 1999, p.1121).

In essence, the fiscal federalism model promotes an ideal distribution of functions and services, within which central government has responsibility for macroeconomic matters and decentralised levels of government provide goods and services to be consumed within the jurisdiction of the local government area.

Oates takes forward his fiscal federalism proposition by developing some elementary financial measures to help 'understand the international similarities and differences in intergovernmental fiscal relations' (Oates, 1972, p181). It is interesting to note that it was Oates' contention at the time that it was only economists who possessed the theoretical framework necessary to measure the division of functions between different tiers of government.

The financial measures introduced by Oates covered public expenditure and taxation. Oates uses statistical measures and presents his data in percentages, for example, central government share in general government revenues. The details of the measures are considered in Chapter 5, but it is important to note that Oates himself questions the usefulness of relying on financial data. He recognised that the financial data sets at the time (International Bank for Reconstruction and Development *World Tables* and the *United Nations Yearbook of National Accounts Statistics*) did not take into account the levels of autonomy enjoyed by sub-national governments in terms of tax collection and expenditure and, therefore, were not really a reliable measure of decentralisation/centralisation. Oates notes:

> What we presumably want is a measure of the amount of independent decision-making power in the provision of public services at different levels of government (Oates, 1972, p.196).

The question around decision making power stayed with Oates and others throughout the rest of the 20th Century, with a particular emphasis on decision making on central government transfers to local government. Measurement and fiscal federalism has maintained its importance since the 1970s partly fuelled by the "Leviathan" question posed by Brennan and Buchanan (1980) which sought to examine if decentralisation was a way of controlling central government spending. A more detailed explanation of this question is provided at Appendix 2.

In common with other measurers, Oates (1972) includes measures from other theoretical positions which, in this case, includes 'democratic, sociological and political variables'. These measures have not subsequently been widely utilised by other measurers but include population, geographical size, lingual homogeneity, racial differences, religious homogeneity, cultural homogeneity, strength of sectional or regional interest and the existence of a form of federal government. In truth, these measures are more akin to variables against which the financial measures are assessed but, in any event, their use does not to my mind question the inclusion of Oates as a fiscal federalist measurer.

Ugo Panizza identified three main branches of the study of fiscal centralisation which includes Oates' approach (the provision of public services should be provided at the lowest level of government). The two other approaches cover organisational costs (the efficiency argument) and the competition argument (people can vote with their feet) as postulated by Tiebout (1956). Panizza (1999, p.97) claimed in his paper, which developed decentralisation ratios for 75 countries across the world, that he used 'a new set of measures of fiscal

centralisation' but, in fact, for all intents and purposes he used the same measures as Oates had a quarter of a century earlier. One significant development, however, is the exclusion of expenditure by sub-national governments on social security programmes which are generally prescribed and controlled by central government with sub-national governments merely acting as agents of the centre. This is important in refining the financial data and addressing Oates' concerns over levels of local autonomy. Panizza notes that:

> Given the fact that in some countries social security programs represent a big share of the government budget (sometimes more than 30%), not including social security programs make a big difference (Panizza, 1999, pp 108-109).

Panizza (1999) deploys the commonly used International Monetary Fund (IMF) Government Finance Statistics (GFS) data sets, (revenue and expenditure) to construct his centralisation index and expresses them as ratios i.e. the ratio of central government revenue/expenditure of total government revenue/expenditure. Although this data is not expressed as pure numerical statistical data it is not codified or weighted and, thus, should be considered as statistical measures.

Jonathon Rodden, who uses codified measures, is very important in the development of fiscal federalism and decentralisation in general and individual measures in particular. Rodden (2003, 2004) introduces a more sophisticated and nuanced approach to the fiscal federalist approach to measuring decentralisation. In particular, he recognised the limits of financial data. He identified issues around financial transfers between higher and lower levels of government, the importance of differential authority and the possibility of shared authority between the centre and sub-national government. Rodden also introduced a number of novel measures which are considered in the next chapter.

Rodden does not abandon the use of fiscal measures; rather he argues that they need to be informed by non-fiscal measures. He notes that:

> it is difficult to know what to make of expenditure decentralization data without additional data on the regulatory framework for subnational finance (Rodden, 2004, p.484).

Rodden augments the fiscal measures with measures of policy and political decentralisation. He also develops the concerns identified by Oates regarding levels of local autonomy relating initially to transfers but also to wider issues of local authority. Looking at the 'traditional' measures of fiscal decentralisation, Rodden notes that Denmark is the third most decentralised country out of 39 in his study, despite the fact that 'the central government tightly regulates virtually every aspect of local government finance' (Rodden, 2004, p.483). This insightful observation does not lead Rodden to question the fundamental use of fiscal data, but it does lead him to reflect on the importance of authority as the theoretical underpinning of the measurement of decentralisation. Rodden also introduces the concept of shared authority which is taken forward in the work of Hooghe et al. (2010) and considered below.

The inclusion of non-financial measures to inform the measures of fiscal decentralisation, as proposed by Rodden, was not fully embraced by other measurers of fiscal federalism. For example, **Robert Ebel and Serdar Yilmaz,** who uses statistical measures, in their study of 22 developed and developing nations, use traditional financial measures although, they note there imperfections (Ebel and Yilmaz, 2003). Interestingly, they do seek to differentiate central government grant to reflect the levels of central government control over how the grant is spent. The significance of Ebel and Yilmaz is their articulation of the problems of the IMF GFS data sets which I consider in the next chapter.

By the mid 2000s, a consensus view was emerging that the traditional measures of financial decentralisation were largely discredited but were still being used. As **Dan Stegarescu** notes:

> Without taking into account the vertical structure of decision-making, the degree of decentralization of the public sector tends to be misrepresented and both cross-country comparisons and the description of long-term trends might be seriously distorted. It is therefore not obvious that the observed worldwide increase in the subnational government share of total public expenditure and revenue actually reflects fiscal decentralization in terms of the devolution of decision-making powers to lower levels of government (Stegarescu, 2005, p.301).

It is the recognition that the traditional fiscal measures of decentralisation are proxies, (despite the improvements introduced after the 1999 OECD Paris workshop), that leads me to the conclusion that the fiscal federalist approach to measuring decentralisation is fundamentally flawed and lacking rigor. Even the introduction of non–financial measures to 'inform the debate' can be questioned. Stegarescu, who uses codified measurers in his study of 23 developed nations, notes that providing additional information on financial measures 'without accounting for the differences in statutes and degrees of autonomy across countries seems quite problematic.' (Stegarescu, 2005, p.304)

Despite the problems of using the traditional fiscal measures of decentralisation they are still used by researchers including **John Ashworth** (who uses codified measurers) to debate the Leviathan hypothesis. However, Ashworth et al. (2013) seek to differentiate between central government grants and the ability to raise local taxes.

4.4.2 The Democratic Federalism Measurers

A significant aspect of the federal democracy measurer's (set out in Figure 2) work was the development of the *Polity Data Series* which included measures of decentralisation as part of an index of democracy covering every country in the world. A more detailed explanation of the data series is included at Appendix 3.

Almost in parallel with Oates' earlier work, **Ted Gurr** published *Persistence and Change in Political Systems, 1800 – 1971* (Gurr, 1974). This work looked at the causes of 'stability' of political systems and included a data set that measured the democratic and autocratic aspects of 91 nation states. One of the measures in the data base covered the characteristics of centralisation/decentralisation which he scored from zero (strong levels of centralisation) to four (high levels of decentralisation). There is little justification of the scoring arrangement; however, the relationship between democratic values and decentralisation, based on federal principles, was influential in the subsequent development of non-financial measures of decentralisation.

Subsequent to the 1974 article referred to above, Gurr cooperated with Eckstein in the development of 'authority patterns', leading to the publication of *Patterns of Authority: A Structural Basis for Political Inquiry* (Eckstein and Gurr, 1975). They defined authority patterns as a 'set of asymmetric interactions among hierarchically ordered members of social units that involve the direction of the unit'(Eckstein and Gurr, 1975, p.1153).

Jan-Erik Lane and Svante O. Ersson, following on from the work of Gurr and those involved in the POLITY project, created two indices of decentralisation, using statistical and codified measures. (Lane and Ersson, 1994). The first covered institutional autonomy and the second addressed regional financial autonomy and covered 18 countries. The importance of Lane and Ersson's work in the development of decentralisation measures is twofold. Firstly,

they combine federalist democratic measures with federal fiscal measures and secondly, they focus attention on levels of autonomy beyond what is included within central and local constitutions.

Arend Lijphart, who I include as a codified measurer**,** examined patterns of democracy in 36 countries, comparing the majoritarian model of government with what he terms the consensus model, which appears to be synonymous with federalism. He casts doubt on the possibilities of decentralisation within a Westminster model of government, noting:

> In all democracies power is necessarily divided to some extent between central and non-central governments, but it is a highly one-sided decision in majoritarian democracy (Lijphart, 1999, p.185)

As such, Lijphart could be interpreted as concluding that decentralisation is misconstrued as a phenomenon. In a unitary system the authority, power, always rests with the central state; in a federal system, the issue is less about the decentralisation of powers but the constitutional distribution of power among multiple centres with no centre being more important than the other. (Elazar 1997).

4.4.3 Combined Federal Fiscal and Democratic Measurers

Dennis A. Rondinelli, who uses descriptive measures, made important contributions to the understanding of the requirements and feasibility of decentralisation. In assessing the feasibility of decentralisation, Rondinelli constructed a framework which identified features of a devolved government, some of which can be utilised as measures of decentralisation including access to loans the number of functions and the percentage of local income. He also defined three forms of (administrative) decentralisation: deconcentration, delegation and devolution. Regarding devolution Rondinelli noted that:

> When Governments devolve functions, they transfer authority for decision making to autonomous units of local government with corporate status. Devolution transfers responsibility for services to municipalities that elect their own mayors and councils, raise their own revenues, and have independent authority to make investment decisions (Rondinelli, 1990, p.12).

Japp Woldendorp, Hans Keman and Ian Budge in 2001 produced a handbook containing information on the composition of governments between 1945 and 1998 in 48 countries (Woldendorp et al., 2001). The handbook includes (at Table 2.2) an explanation of 'State Format and Organisation' and within this table there is a measure of autonomy for sub-national government. The autonomy measure is a composite measure comprising of fiscal centralisation, the level of federalism, reference to local government in the constitution, and the 'De Central' measure which scores the constitutional rights given to non-central tiers of government.

Woldendorp et al. (2001), like Gurr (1974), produced a single measure of decentralisation. The measure indicates the degree of local discretionary powers for sub-national level of governance in order to determine the independence of non-central units of government.

Daniel Treisman (2002) measured levels of decentralisation across 166 countries during the mid-1990s using 6 measures (referred to as conceptions or dimensions) covering vertical decentralisation, decision-making decentralisation, appointment decentralisation, electoral decentralisation, fiscal decentralisation and personnel decentralisation. Treisman codifies his measures, but does not combine them into a single index of decentralisation.

Treisman (2002) also codifies non-financial measures while including statistical data (percentages) for financial expenditure and the distribution of personal between national and sub-national government.

It is to some extent an artificial construct to separate fiscal federalists from democratic federalists as measurers of decentralisation; however, until Rondinelli (1990) Treisman (2002) and **Robertson Work**, democratic measures were used to justify financial measures or vice versa, rather than being used as domains of measurement in their own right to assess levels of decentralisation. Work (2002)identified three broad types of decentralisation:

- Political
- Administrative
- Fiscal

Work also brings to the discourse of the United Nations Development Programme (UNDP) the view that decentralisation is a live phenomenon relevant to different models of governance, be they federalist or unitary.

> Decentralizing governance is the restructuring of authority so that there is a system of co–responsibility between institutions of governance at the central, regional and local levels to the principal of subsidiarity, thus increasing the overall quality and effectiveness of the systems of governance, while increasing the authority and capabilities of sub-national levels (Work, 2002, pp 5-6).

Work uses descriptive measures but does not develop the work of previous federalist measurers in terms of measuring levels of decentralisation; rather, he identifies four forms of decentralisation, which enabled him to assess what type of donor support would be needed in 17 countries. He used the traditional financial measures noted above but also included a ‘measure’ of political decentralisation by simply recording the number of sub-national government elections.

Schneider (2003) provides an empirical test of the three dimensions proposed by Work using factor analysis of data from 68 countries in 1996. Falleti (2010) is critical of Schneider's use of solely fiscal data to construct his measures of administrative decentralisation but it should be noted that he uses non-financial data to build his measures for political decentralisation.

Schneider (2003) is the most comprehensive codified measurer. Schneider identified six dimensions of decentralisation based on fiscal, administrative and political concerns and apportioned scores to each one; however, he found little relationship between them and concluded as follows:

> Factor analysis also allows us to determine the degree to which the dimensions are related to one another. Given the nature of the decentralization concept, in which one kind of decentralization is expected to influence other kinds, correlation among the dimensions was expected. Nevertheless, the factor analysis showed that the correlation between the dimensions was relatively small and statistically insignificant (Schneider, 2003, p.46).

This conclusion is worrying for those who aspire to producing a single index of decentralisation. Indeed, Schneider goes on to state:

> Researchers who do not explicitly look at each dimension or haphazardly aggregate dimensions will mis measure the type and degree of decentralization and draw incorrect inferences about the relationships between decentralization and other phenomena (Schneider, 2003, p.35).

Arzaghi and Henderson (2005), who used codified measures, continues the federal tradition using some of the financial measures used by Oates while combining them with the POLITY measures developed originally by Gurr. Arzaghi and Henderson, who constructed a

federalism index of 48 countries, do attempt to further refine the traditional financial measures by separating out capital and revenue grants from central government to sub-national government. The study confirmed the close interrelationship between federalism, democratisation and, ultimately, decentralisation in a similar manner to Gurr (1974).

Dawn Brancati, who used codified measures, sought to explore why some countries are more successful than others in reducing conflict and secessionism through decentralisation. Brancati (2006) used a series of decentralisation measures and applied them to 30 democracies from 1985 to 2000. Brancati's work is interesting in terms of measuring decentralisation for two related reasons. Firstly, she is typical of a large number of researchers who have carried out work examining phenomena related to centralisation/decentralisation rather than examining it *per se*. Secondly, she does not use existing indices of decentralisation; rather, she develops her own indices even when the substance of her research is not the development of new measures of decentralisation.

Tulia Falleti (2010), who used single index measures, considered decentralisation in Latin America, concluding that for sub-national government to be considered decentralised they must have the following features: authority, responsibility for a range of functions (policy scope), be democratic, have the ability to raise their own revenue (including the ability to borrow) and have operational freedoms. These aspects will be addressed directly in Chapter 5.

In relation to the measuring of decentralisation, Falleti notes that, 'The problem is that the definition of what exactly constitutes an administrative, fiscal, or political type of decentralization varies from author to author' (Falleti, 2010, p.33). These concerns are common in the literature on the measurement of decentralisation, but it is now almost de

rigueur to include measures that cover political, fiscal, and administrative matters, however defined.

4.5 Central/Local Relations Measurers

The central/local relationship researchers (identified in Figure 2) unlike the federalists do not view decentralisation as a virtuous corollary of federalism. More often their focus is on the erosion of local power over time in favour of the central administration. They write from a range of theoretical backgrounds but broadly within a traditional institutionalist viewpoint with strong representation from a public administration background.

In 1965 **James Fesler** identified three methodological problems that 'trouble political scientists' efforts to move discussions on centralization from generalities to a degree of precision' (Fesler, 1965, pp.536-537), which he terms linguistic, differential and mensural problems. The linguistic problem is the way we use the terms 'centralisation' and 'decentralisation'. The differential problem is the danger of treating all sub-national governments the same. The third problem is the weakness of indices of centralisation and decentralisation. Fesler identifies four areas of measurement: the distribution of governmental expenditure, revenues, employees, and workload. Fesler (1965, p.537) concludes that the complexity of power in general and specifically its distribution mean that any measures are only *faute de mieux* (for want of a better alternative). Fesler, who identified one descriptive measure, is particularly critical of the approach taken by some of the federal democratic measurers, noting that they 'merge and confuse decentralization and democracy'.

Fesler (1965) appears to anticipate the current debate and concerns on the measurement of decentralisation a half a century earlier. This is less likely to represent his prophetic brilliance but rather the discourse is largely unchanged, unresolved and for all intents and purposes, circular, seemingly, without any prospect of resolution. Fesler also recognised the complexity

of decentralisation and the care that needs to be taken in its measurement although, ultimately, he declines to take up the challenge of measuring himself.

If the father of Federal Fiscal measurers is Oates and for Federal Democratic measurers Gurr, then **G. Ross Stephens** must fulfil that role for those researchers who have undertaken the study and measurement of decentralisation through the prism of central/local relations. Although an expert on federalism, Stephens considers in some depth the limitation that the centre places on sub-national government, be it financial, policy, communication, reporting or inspection. These concerns are typical of the issues raised by other researchers that I have grouped under the heading of central/local relations. Stephens (1974) proposes the first single index of centralisation/decentralisation in relation to the states and local government in the USA for the years 1957 and 1969. His composite index comprises measures of financial responsibility, service delivery and personnel distribution. In terms of financial responsibility, Stephens' measures are similar to the fiscal federalists:

> State financial responsibility is measured herein by that portion of state and local public services paid at the state level, including federal monies channelled through the states for political and other reasons. Local financial responsibility is the remainder, including federal monies that go directly to the locality. Stated differently, state financial responsibility is the total of direct state services, plus state aids to local units, minus local payments to the state as a percentage of the total state/local package of services (Stephens, 1974, p.55).

Due to the difficulties in obtaining data on individual activities, Stephens elects to compare the budgets of 15 major functions (including education, police, transport and public welfare) instead of a more in depth understanding on where responsibility rests vis a vis the individual states and local authorities. However, it is only fair to note that the multitudinous sets of

relationships between individual municipalities and the individual states is likely to be far more problematic than for English local authorities and central government. The final set of measures (but it is more a single measure) includes the proportion of public servants employed in local government compared with the number of state employees.

Stephens also introduced the concept of shared authority or, more accurately, shared administration, noting that the relationship between central government and sub-national government is more complex and not binary:

> Simply citing legal restrictions, however, does not reveal the over–all relationship between state and local governments. It is necessary to look at broader manifestation of political power (Stephens, 1974, p.52).

An interesting aspect of Stephens' work is that the development of his measures was grounded in his focus on the distribution of power between state and local government. In this regard, he hints at the limitation of his methodology, concluding that only intensive case studies of each policy area can produce a 'definitive study of decentralisation', something that was beyond Stephens' resources.

Douglas E. Ashford is very interested in maintaining the vitality of local government, the inclusion of institutional structures in policy analysis and the distribution of power between the centre and the local. The latter concern focuses on 'the disaggregation of authority through local government' (Ashford, 1976, pp 5-6). Ashford looks beyond the efficiency argument for decentralisation to a clearer distinction between policy effects at two or more levels of government as they interact, in other words central/local relations. In particular, Ashford considered how different institutional arrangements in different systems result in a differential disaggregation of authority between central and local government, including the use of Britain as a case study (Ashford, 1976). However, as is the case elsewhere, the actual

measures used to assess levels of decentralisation do not reflect the researcher's theoretical and methodological position as they are all essentially about finance. Ashford (1979) looks at centralisation trends in relation to resources – the more financial resources at the local level the more decentralised. All data is presented as actual and percentage figures and he uses statistical measures. Ashford (1979, p.81) applies three broad measures to five western countries (including the UK) and comprise levels of local government spending in relation to GDP, central government transfers and changes in local levels of tax.

Rod Rhodes uses descriptive measurers of decentralisation, although he does use some financial statistics. Rhodes (1988, p.42), in his study of the UK, identifies five resources that central and local government possess that allow them to discharge their duties. These resources are deployed to maximise the influence of the centre or local authorities in the 'game' of central/local relations. The first resource is authority (Rhodes, 1988, p.194); however, this is confined specifically to the distribution of 'functions' by central government to local government. Rhodes (1988, p.42) describes the 'authority resource' as a 'constitutional-legal' resource. In particular, Rhodes draws a differentiation between mandatory and permissive duties. While it is clear that Rhodes is not applying the concept of authority as defined by Dahl, he does introduce two important considerations. Firstly, and most basically, he introduces the concept that the range of services operated by local government is a relevant consideration in terms of authority. Specifically, Rhodes notes that: 'The allocation of a function to local government is also a grant of authority' (Rhodes, 1988). Secondly, Rhodes reminds us that the range of services operated by local authorities is only one factor that needs to be considered, as the level of discretion that local authorities have over them varies from service to service. Both these issues are considered in the next chapter.

Rhodes provides some interesting statistical information, including the distribution of functions, sources of local authority revenue and the changing levels of their expenditure.

However, these exercises were carried out to explain the nature of the changes in central/local relations and not, I would argue, to provide a measure of centralisation/decentralisation. In conclusion, I consider that Rhodes is extremely important in explaining the nuances in the relationship between central and local government, including challenging the established view of unitary government in the UK, through his concept of the fragmented or differential polity.

Brian C. Smith, like Rhodes, uses descriptive measurers, and he offers a significant contribution to the study of central/local relations in the UK and to the measurement of decentralisation. Smith (1985) examined all the main financial data sources as well as many non-financial measures but he did not present them as measures of decentralisation *per se.* Within the context of the balance of power between different levels of government, Smith identifies eight factors that impact on the balance of power. The first factor concerns functions where Smith (1985, p.85) agrees with Rhodes, stating that an 'obvious test of changes in levels of decentralisation relates to the functions and powers of subordinate governments'. The second concerns the type and extent of delegation, which relates to whether local authorities operate under a 'general power of competence' or they are constrained by the *'ultra vires'* doctrine. Smith's third 'test of decentralization is the revenue-raising power which is delegated to subordinate governments' (Smith, 1985, p.87). Smith also considers whether local government receive their powers from central government through legislative or executive decisions, the proportion of local spend that is raised locally as compared to government grants, party politics and the size and structure of local government. Despite his importance in the development of the understanding of decentralisation and his contribution to the development of 13 of his own measures (including four unique measures), he has been largely overlooked by more recent researchers including Hooghe et al. (2010).

In 2006 **Frederik Fleurke & Rolf Willemse**, who present their measures in a single index, considered how the autonomy of local government can be measured using the Netherlands as a case study. They rejected previous attempts at measuring levels of 'decentralisation' using macro measures, such as ratios comparing central expenditure with local spend and legislation, preferring to examine 'all the externally-orientated local government decisions and to study their relations to the activities of other government authorities' (Fleurke and Willemse, 2006, p.74). They interpret autonomy for local government as having three dimensions: control of the local agenda (Initiative); the extent that they are allowed to exercise choice in policy making (Freedom of choice); and the extent they are dependent on others for their own decision-making practices (Dependency).

In measuring the three dimensions, Fleurke and Willemse used two methods of data collection. Firstly, they looked at the agendas, reports and minutes of 16 municipalities covering a specified range of policy areas. Secondly, they conducted a number of interviews with senior officials in order to support their assessment of the level of autonomy in the decision-making process.

The approach taken by Fleurke and Willemse is unlike any of the other measurers. Most importantly, they reject the macro measures that Fesler describes as *faute de mieux* and undertake their own in-depth interpretation of local decision making and ascribe a score for local autonomy. It is possible to critique their approach, not least on the basis that council reports rarely tell the whole story, but the most pertinent concern in relation to my own research is that it would not be possible to replicate the method for a 70-year time period.

4.6 Authority Measurers

In Chapter 2, I set out why the concept of authority provides the rigour, transferability, and consistency for the development of my own measures; however, I am far from unique in

adopting such an approach. Reference to formal authority in the literature on decentralisation is almost always Robert Dahl (Dahl, 1963, Dahl and Tufte, 1973, Dahl, 1989). However, referencing Dahl and the importance of authority in contextualising the measurement of decentralisation was rarely followed through to any meaningful extent until **Liesbet Hooghe, Garry Marks and Arjan Schakel** produced *The Rise of Regional Authority* in 2010. The transparency shown in developing their measures enables the reader to clearly understand how they relate to different levels of authority over time which, unfortunately, is most unusual in the majority of the literature on the subject. Hooghe et al. also clearly trace how scholars have attempted to measure centralisation/decentralisation since 1999; however, they are largely silent on earlier research on the subject (which I cover above).

Hooghe et al. (2010) produce an index of centralisation/decentralisation for 42 democratic countries for every year between 1950 and 2006, based on different levels of authority over time. Although noting that authority is an abstract quality that cannot be measured directly, they conclude:

> The art of measurement is to disaggregate the abstract concept in such a way that variation on each of its parts (or dimensions) can be reliably evaluated, while sustaining the meaning of the concept. Each step along the way – breaking the concept down into domains, summarizing each domain in a limited number of dimensions, operationalizing the dimensions as rating scales, and, finally, coding cases on these scales – is a step from the abstract to the particular' (Hooghe et al., 2010, p.13).

I have only included Hooghe et al. as an 'authority measurer'; however, in Figure 2, I make reference to a number of measurers that touch on the concept of authority as the key concept that needs to be measured to determine levels of centralisation/decentralisation (depicted in

dotted boxes). In this chapter I consider some of the measurers that refer to authority. Although Dahl is not referenced in the remarkable work of Stephens (1974) who produced a fully codified single index of centralisation for the USA, he does construct his measures around the concept of authority. Stephens' centralization index was constructed in order to measure changing levels of power between two levels of government. He argues that his measures were developed based on characteristics that 'reflect the distribution of power between state and local governments' (Stephens, p.53). Stephens is rarely referred to in the literature on the measurement of decentralisation but appears to have been successful in achieving his objective to develop a quantifiable measure of 'state centralization'. It could well be that the focus on comparative research that has dominated recent studies of the measurement of decentralisation has left the important work of Stephens in an academic *cul-de-sac*. Whatever the reason for his lack of current recognition, it is clear to me that he has made an especially important contribution, recognising the importance of power in the development of specific measures of centralisation.

While primarily a fiscal measurer within the traditions of central/local relations Ashford (1976), (1979) also recognises that decentralisation is about the disaggregation of authority and that there are winners and losers in levels of authority between the centre and sub-national government. Ashford states that: 'Territorial politics is rarely a zero–sum game' (Ashford, 1979, p.77).

Treisman not only recognises the importance of framing the measures of decentralisation within the context of formal authority but also introduces doubts that formal authority might obscure the realities of real life, noting that:

> The rules that operate in practice may be quite different. In the Stalin Constitution of 1936, governments of the Soviet republics had significant decision-making rights (to

> approve the republic's economic plan and amend the republic's constitution). These were a fiction useful for propaganda (Treisman, 2002, p.8).

4.7 Autonomy

One group of measurers, **Andreas Ladner, Nicolas Keuffer and Harald Baldersheim** use the concept of autonomy in their measurement of centralisation/decentralisation. The authors were commissioned by the European Commission to produce a Local Autonomy Index for local government across the European Union, resulting in a report entitled *Local Autonomy Index for European Countries (1990-2014).* (The study in fact, looked at all European countries).

Despite using the concept of autonomy rather than authority, Ladner et al. (2015) closely follow the methodology adopted by Hooghe et al. (2010). This approach was a requirement of the European Commission, as noted below:

> The conceptualisation of the LAI should follow as far as possible the methodology of the Regional Authority Index (RAI) produced by Liesbet Hooghe Gary Marks and Arjan H. Schakel (2010). Some adaptations had to be made to capture the specific characteristics of local government, and, furthermore, additional variables were included. (Ladner et al., 2015, p.4)

Ladner et al. use 11 measures (which they call variables); as for Hooghe et al (2010), these are grouped into two dimensions: self rule and shared rule. Seven of their measures are taken directly from Hooghe et al. (2010), often using the same scoring system. The remaining four measures come from, Smith (1985), Rhodes (1981), and Rodden (2003).

Although in practice the use of autonomy rather than authority as the underpinning concept for their measures makes little difference, it is worth considering why they chose their approach and the implications for the thesis. While Ladner et al. do not directly address the

first question, it is clear that their choice of *autonomy* is influenced by a strong desire to reflect the provisions of the European Charter of Local Self-Government and Article Three in particular:

> Local self-government denotes the right and the ability of local authorities, within the limits of the law, to regulate and manage a substantial share of public affairs under their own responsibility and in the interest of the local population (Council of Europe, 1985)

Ladner et al. (2015, p.19) argue that the charter epitomises the definition of local autonomy, thus justifying their use of *autonomy,* as the underpinning concept for their measures. The use of autonomy by Ladner et al. does not in itself challenge the use of authority by Hooghe et al. nor its importance to this thesis. Indeed, Ladner et al. do not challenge the use of authority, rather they simply substitute autonomy for it drawing on the same primary sources as Hooghe et al., the most notable being, Dahl and Tufte (1973), (Ladner et al., 2015, p.19).

4.8 Conclusions

I have attempted to identify, understand and explain the measurers of centralisation/ decentralisation. In my analysis there are four main 'schools' of thought - the federalists, scholars of central/local relations, those who seek to measure levels of authority at the sub-national level and those who focus on autonomy. It is often difficult to corral each researcher into a specific group, but I consider such an attempt is important in trying to understand the motivation of the measurers, because ultimately this determines why they choose specific measures.

It is striking that throughout the literature most scholars are struggling with similar problems in terms of the validity of their measures, yet very few build on the struggles of their

predecessors and, as Schneider (2003, p.35) notes, ‘researchers often end up talking past one another’. However, there are some clear linkages within the groups, for example Lane and Lijphart build on the work of Eckstein and Gurr in the measurement of democracy, and the central/local relations scholars tend to cover common ground. However, it is Hooghe et al. who appear exceptional, in that they gather up the collective wisdom of the more recent measurers, while also providing a rigorous theoretical basis, in the form of authority, to provide a new benchmark for the measurement of sub-national levels of authority.

In the next chapter, I examine in some details the measures of decentralisation produced by the measurers identified in this chapter.

CHAPTER FIVE: THE *MEASURES* OF DECENTRALISATION AND CHANGING LEVELS OF AUTHORITY AT THE SUB-NATIONAL LEVEL

5.1 Introduction

Although, as noted in Chapter 4, the researchers tend to 'talk past one another', there is a considerable level of overlap in the *measures* they identify and use. In Chapter 5, I review 28 existing measures of centralisation/decentralisation, which have been produced by the scholars reviewed previously. The measures are grouped together into domains: financial, policy scope, operational freedom and other. The examination of the domains is followed by an in-depth review of the 28 existing measures.

It should be noted that it is not the purpose of this chapter to select the measures to be used in the Local Authority Index (LAI) showing changes for England between 1945 and 2015. Rather, this chapter identifies and explains all the potential measures, thus informing the selection of the LAI measures in Chapter 7.

5.2 The Domains

Nearly all of the measurers group their measures together under specific headings. The groupings are determined by a number of distinct factors. Some groups reflect different 'types' of decentralisation, as is the case with Treisman (2002). Some researchers only identify one group because it either reflects their particular interest in centralisation/decentralisation or they consider such groups to be the only ones capable of being measured. This is often the case with the fiscal federalist measurers (see pp.71-76), such as Ebel and Yilmaz (2003) and Stegarescu (2005). Finally, some measurers group together measures that shed light on particular aspects of decentralisation. Hooghe et al.

(2010) consider that there are two aspects to the levels of regional authority, and they include their measures in two domains, namely self-rule and shared-rule.

5.3 What is Measured

Table 1 below identifies the measures produced by the measurers identified in the previous chapter based on four groupings.

- Financial – Measures 1-13
- Policy Scope – Measures 14-15
- Operational Freedom – Measures 16-22
- Other – Measures 23-28

Financial Measures

Financial considerations dominate the literature on measuring decentralisation. Governmental financial data is readily available from the OECD, World Bank and IMF making financial data particularly useful in comparative studies. The financial measures have been refined and developed most notably by the OECD; however, some of the financial measures are quite contentious with concerns being raised by such researchers as Rodden (2004) and Treisman (2007). A recurring debate in the literature is whether the relative level of income and expenditure between central and sub-national government is a useful measure of centralisation/decentralisation. This debate is considered in more detail under measures 1-4 below.

Policy Scope Measures

Although not as ubiquitous as financial measures, many researchers have developed measures that seek to capture the range of functions operated by sub-national governments. Such measures are particularly popular with the single index measurers, from Stephens (1974)

through to Hooghe et al. (2010). The functions identified by the measurers vary as does their presentation, which ranges from simple lists of functions through to more complex weighted groupings. Frequently, such measures are known as policy scope measures.

Operational Freedom Measures

Smith (1985), Rhodes (1988) and Rodden (2004) introduced a number of measures that sought to identify the level of non-financial freedom sub-national government enjoy and, conversely, the level of 'interference' from central government. I have grouped these measures under the heading of 'operational freedoms'.

Other Measures

The final measures are simply grouped under the nomenclature of 'other'. The six other measures cover a range of concerns that do not fall comfortably into the financial, policy scope or operational freedom groupings outlined above.

In Table 2, I bring together the groupings of measurers identified in Chapter 4 and presented in Figure 2, with the measures that they have produced presented in Table 1. The measurers are set out along the x axis. The y axis shows the measurers and differentiates them by the groupings identified in Chapter 4 and shown in Figure 2.

Following Table 2, I look at why the measures were identified, and the issues associated with them.

Table 1: List of Existing Measures
Financial Measures
1) The proportion of all public-sector expenditure at the local level
2) Local taxes and local expenditure as a % of GDP
3) The amount of local taxes as a % of all taxes
4) The proportion of sub-national revenue as a % of total public-sector revenue
5) Control over rate of local tax
6) Control over base of local tax
7) Control over revenue and capital spend
8) Ring fencing of central grants
9) Co determination of national public expenditure including the distribution of tax revenue
10) % of own income from fees and charges
11) Own income and local taxation as a % of total revenue
12) Transfers as a % of subnational revenues
13) Access to loans – the ability to borrow
Policy Scope Measures
14) Extent of functions
15) Control over specific policy areas
Operational Freedom Measures
16) Local veto
17) Local appointments
18) Audit & Inspections
19) General power of competence
20) Central government guidance
21) The ability to legislate
22) Political freedoms
Other Measures
23) Ratio of employees between central and local government
24) Constitutional recognition
25) Number of tiers and elections of local government
26) Federalism
27) Shared rule including co determination of national policy
28) Regional representation in second chamber

Source: The Author

Table 2: Measurers and the Measures

Measuring Groups		Measurers \ Measures	1 Local expend	2 Local taxes	3 Local taxes %	4 % public exp.	5 Cont tax rate	6 Cont tax base	7 Spend control	8 Ring fencing	9 Co budget	10 % own income	11 % income	12 % transfers	13 Access to loans	14 Functions	15 Policy control	16 Local veto	17 Appointments	18 Inspections	19 Comp powers	20 Central guide	21 Legislation	22 Freedoms	23 Nos. emps	24 Constitution	25 Nos. tiers	26 Federalism	27 Shared rule	28 2nd Chamber
Federalism	Democracy	Gurr 1974																								x			
		Lane & Ersson 1994/97		x	x																						x		
		Lijphart 1999			x																								
	Fiscal	Oates 1972	x	x		x																					x		
		Panizza 1999	x			x																							
		Ebel & Yilmaz 2003	x		x							x																	
		Rodden 2003	x		x		x	x				x				x	x	x	x							x	x		
		Stegarescu 2005					x	x						x															
		Ashworth 2013				x						x															x	x	
	Combined	Rondinelli 1990										x				x													
		Woldendorp 2001			x													x				x			x		x		
		Work 2002		x	x																					x			
		Treisman 2002	x			x																x		x	x	x			x
		Schneider 2003	x			x							x	x												x			
		Arzaghi & Henderson 2005	x																							x			
		Brancati 2006				x										x	x									x		x	
		Falleti 2010	x			x											x							x					x
Central /Local Relations		Fesler 1965																						x					
		Ashford 1974,1979		x	x									x															
		Stephens 1974	x						x		x					x								x				X	
		Rhodes 1981				x				x	x								x		x		x						
		Smith 1985	x			x			x	x		x	x			x	x		x	x						x		x	
		Fleurke,Willemse 2016														x	x													
Authority		Hooghe et al 2010/2016					x	x							x	x	x								x	x		x	x
Autonomy		Ladner et al 2015					x	x		x		x			x	x	x	x	x				x		x			x	x

Source: The Author

5.4 Financial Measures

Most of the measurers of decentralisation I have examined use financial measures, but they do not all use the same specific measures. The debate on what financial measures should or should not be utilised has been ongoing for nearly 50 years. The financial measures fall within three clear areas of concern:

- Fiscal Concerns
- Levels of Financial Autonomy
- Sources of Income

It is worth reiterating that two historical events have played an important part in the development of financial measures of decentralisation. The first event was the paper by Brennan and Buchanan (1978), referred to in Chapter 4, that postulated the Leviathan Hypothesis (See Appendix 2). The second development was initiated by the OECD at a workshop in Paris in 1999, as reported in OECD (2001, p.3).

5.4.1 Fiscal Concerns

Fiscal concerns broadly relate to the split between national and local expenditure and income, as set out below. Such matters have been central to the debate on decentralisation since the 1950s and have been carried forward by political scientists in almost every decade since, including Ashford (1976), Smith (1985),Lane and Ersson (1994) and Ebel and Yilmaz (2003). These fiscal concerns remain a powerful consideration for global institutions such as the World Bank, OECD and the IMF.

Table 3: Measures of Fiscal Concerns - Expenditure Split
1) The proportion of all public-sector expenditure at the local level
2) Local taxes and local expenditure as a % of GDP
3) The amount of local taxes as a % of all taxes
4) The proportion of sub-national revenue as a % of total public-sector revenue

Source: The Author

Measure 1. The proportion of all public-sector expenditure at the local level

The expenditure split between central government and local government has been an abiding concern for most of the measurers. Essentially, it is argued that the greater the proportion of expenditure at the local level, as compared with national level expenditure, the more decentralised a country is. As Stegarescu notes:

> Despite several shortcomings, the share of subnational government expenditure or revenue in consolidated general government expenditure or revenue is widely used as a proxy for the degree of decentralisation of the public sector (Stegarescu, 2005, p.301).

The importance of proportional expenditure in the literature should not be underestimated; indeed, Rodden notes that 'most empirical studies of decentralization focus exclusively on the balance of expenditure (as well as revenues) between governments' (Rodden, 2004, p.482). The earliest available source is Oates (1972) who, like other scholars, uses the measure of central government share in general government current expenditure expressed as a percentage. The assumption is that what is not central government expenditure is subnational government expenditure. Oates expressed his measure in this way because he was assessing the level of centralisation rather than sub-national government specifically. The main source of this data comes from the OECD's, *Revenue Statistics, National Accounts and Fiscal Decentralisation Database,* the IMF's *Government Finance Statistics Yearbook,* the World Bank's *World Bank Indicators* and for England the DCLG's *Local Government Financial Statistics England.*

Whoever spends the money would appear to be an important determinant of authority, which could be useful for determining levels of decentralisation. If the vast majority of goods and services are provided and paid for locally, would it not be reasonable to

conclude that such a situation was largely decentralised? Lane and Ersson (1994) strongly imply that the proportion of regional and local expenditure compared with national expenditure is synonymous with levels of local autonomy. Schneider (2003, p.36) notes that this measure 'is the most appropriate way to gauge fiscal decentralization'. Such a conclusion, however, is now widely recognised as being highly problematic for two reasons.

Firstly, changing levels of expenditure within government do not necessarily correlate with decentralisation. For example, central government could cut public expenditure on, say, defence, resulting in a proportional increase in local government expenditure, but this would have no effect on the levels of decentralisation. Central Government could also privatise particular functions, thus reducing national expenditure relative to total public-sector expenditure, but again having no impact on decentralisation. There could also be a situation whereby significant efficiency savings are found in the budgets of either central or local government, changing the proportion of public expenditure, but having no effect on the levels of centralisation/decentralisation.

The second problem with using this measure is the assumption that local expenditure is under the control of local government. The reality is often quite different. As both Rodden (2004) and Treisman (2002) note, measures of public spending can be both complex and deceiving. Controls by central government on local authority expenditure are seen as both an important macroeconomic tool and as a way of encouraging local government to implement the priorities of central government. It is these controls that underline the authority of the centre and undermine the levels of authority locally. A good example of the problematic nature of this measure is provided by Hooghe et al. (2010) when they looked at welfare benefits in Scandinavia. Welfare benefits, which make up a significant proportion of sub-national expenditure (thus boosting the

decentralising score for this measure), are determined by the central state and are merely channelled, on an agency basis, through local government which gives a misleading view of local levels of authority in Scandinavia. The situation described by Hooghe et al. has been of considerable interest to British political scientists including Boaden (1970, 1971), Page (1980) and Gibson et al. (2006). Such considerations centre on the concept of local authorities acting as agents of central government and thus exercising little authority in their own right. Interestingly, Page (1980, p.117) concluded that even when a local authority increases its own expenditure on a particular project, if it does so at the behest of central government it is still acting as an agent of the centre. Rodriguez-Pose and Gill (2003) note that in the case of Brazil and China there has been a considerable decentralisation of resources, but this has not been accompanied by a decentralisation of authority. The most basic point is how can expenditure be a measure of decentralisation if the decisions on how the expenditure is disbursed are not determined locally? It would appear more productive to follow the decision-making process rather than to calculate the levels of spend.

The providers of the core data such as the OECD are not ignorant of such concerns. In 1999 the OECD held a workshop in Paris to discuss these and other issues regarding the use of proportional expenditure (and taxes) as a measure of decentralisation (OECD, 1999). Ebel and Yilmaz (2003, p.105) note that the problems with the OECD data (Government Finance Statistics – GFS) prior to 1999 were threefold:

- It did not identify the degree of local expenditure autonomy
- It did not distinguish the sources of tax and non-tax revenues, intergovernmental transfers and other grants
- It did not disclose what proportions of intergovernmental transfers are conditional as opposed to general purpose grants.

The OECD data, which is heavily relied upon by the World Bank and IMF, has since 2000 incorporated the concerns over local revenue autonomy by subdividing sub-national governments (SNG) into three categories of local control, as follows:

- Revenue – split can only be changed with consent of SNG
- Revenue – split fixed in legislation, may unilaterally be changed by central government
- Revenue – split determined annually by central government as part of the budget.

(OECD, 2002, p.13)

Ebel and Yilmaz (2003) consider that, following the Paris workshop, the OECD data now addresses their concerns. However, the question remains what is the most appropriate measure of decentralisation? Is it the proportion of central/local expenditure or is it actually the levels of control/freedom that local authorities have in making their own decisions on expenditure? Rodden (2004, p.484) notes that: 'In short, it is difficult to know what to make of expenditure decentralization data without additional data on the regulatory framework for subnational finance'. Schneider (2003, p.36) recognises this conundrum and, although he maintains that this measure is the best 'window into levels of decentralization', he concedes that that the concerns on different levels of authority are 'best taken up in individual country studies'.

Measure 2. Local taxes and local expenditure as a percentage of GDP

Measure 2 looks at local taxes and expenditure as a percentage of GDP. The data for this measure in terms of the comparative research largely comes from the OECD and IMF data sets and is used by a small number of measurers, most notably Lane et al. (1991), Lane and Ersson (1994) and Ebel and Yilmaz (2003). The 1991 work of Lane is a handbook of data on OECD countries, which he subsequently used in his 1994 publication. The second source of

this measure comes from Oates (1985) who used it to test the Leviathan hypothesis although interestingly, he did not use it in his earlier work, (Oates, 1972).

I do not question the relevance of this measure in testing the authenticity of the Leviathan hypothesis; however, again there are problems in using this measure in terms of defining levels of decentralisation. The pertinent question is who or what controls the level of local taxation? In other words, the available statistics do not tell the full story. Ebel and Yilmaz allude to this issue:

> Therefore, the analysis of the impact of fiscal decentralization on macro indicators requires qualitative as well as quantitative techniques that take account countries' institutional structures (Ebel and Yilmaz, 2003, p.115).

Lane and Ersson (1994) also note that the relationship between various levels of government within a country is important in putting this measure into context. Ashford specifically uses local expenditure (both capital and revenue) in relation to GDP and notes that:

> National accounting information provides an easy way to trace both how the government sector itself may have grown in relation to the society (GNP), and how the local government system may or may not have shared in this change. To provide a broad index of these trends, I have calculated changes for both current and capital spending (Ashford, 1979, p.78).

Measure 3. The amount of local taxes as a percentage of all taxes

The third measure is the amount of local taxes as a percentage of all taxes. This measure is employed by seven of the researchers I have reviewed. It would appear self-evident that a country that raises most of its taxes at the local level will be a relatively decentralised state. Conversely, a country that collects most of its taxes at the national level will be a more centralised state. As Woldendorp et al. (2001, p.33) note, this

measure indicates the ‘power of the purse’. It should be noted that the data for this measure is readily available from the OECD, IMF and World Bank.

Many of the researchers using this measure recognise that it could be problematic but ultimately it is still good enough to use. Others, recognising its limitations, seek to justify its use by reference to earlier measurers who have used it. Concern over using levels of taxation as a measure of centralisation/decentralisation goes back at least to Oates who notes:

> Nevertheless, the extent of a public authority’s activities in taxation and in the expenditure of public funds is surely a component of fundamental importance in determining its influence on the allocation of resources. For this reason, the use of a measure of centralization based on fiscal information may represent a reasonably satisfactory, although somewhat imperfect, procedure (Oates, 1972, pp.196-197).

But why are the public authority’s activities in taxation of fundamental importance in understanding centralisation in particular and the measuring of levels of centralisation/decentralisation more generally? As noted above, the amounts of local taxation compared with central taxation is not the only consideration, especially when measuring levels of decentralisation within the context of relative levels of authority. If central government controls the levels of both the rate and base of local taxation, then surely in terms of measuring authority the amount of taxation is a secondary concern? Rodden (2004) notes the concerns relating to autonomy in local taxation, but considers the data on local taxation presented by the OECD (and used by so many measurers since 2000) is still acceptable. But he also notes that this data could still be improved. The declining level of local taxation was noted by the UK House of Lords Select Committee

on Relations Between Central and Local Government (1996, p.42) prompting the conclusion that 'it is difficult for local authorities to be accountable or autonomous when they have so little control over their revenue'.

Measure 4. The proportion of subnational revenue as a percentage of total public-sector revenue

The final macroeconomic measure looks at the proportion of sub-national revenue as a percentage of total public-sector revenue. The revenue measured includes all cash flows to subnational government including taxes, loans and grants. This measure clearly has elements in common with the other macroeconomic measures. Schneider (2003, p.36) uses this measure as part of his *fiscal decentralization dimension* and he notes that 'the best indicator for the level of fiscal centralisation or decentralisation is the share of subnational expenditures and revenues'. As with Measure 1, the data is readily available from the World Bank, IMF and the OECD.

The concerns with Measure 4 are similar to the problems outlined above relating to Measure 1. Schneider (2003) recognises these concerns and identifies two reasons why it is still desirable to use Measure 4 (and Measure 1) in preference to looking at regulatory or financial policies, i.e. who controls the revenue spend. The first reason is that they are complex and difficult to use in comparative studies. The second problem, at least in comparative research, is that different countries compile their financial statistics differently. Schneider (2003, p.36) notes that the same type of revenue could be defined as sub-national in one country while for another country that type of expenditure could be classified as national revenue.

Promoters of this measure consider that the higher the level of sub-national government revenue as compared with national revenue; the greater will be the level of decentralisation. But again, the key concern must be the level of financial autonomy. Local councils at

different times receive significant grants from central government thus increasing their revenue and, with other thing being equal, according to this measure a greater level of decentralisation would have occurred. However, if that central government grant was ring fenced and accompanied by detailed rules on how the money must be spent can one really conclude with any satisfaction that a greater level of decentralisation has been achieved? A good example of this situation is the UK welfare and benefits system which is largely paid for by central government and is in part administered by local government but within a framework closely prescribed by central government. Local government has little discretion on how this major resource is allocated and, as such, has little influence on levels of decentralisation.

A contrary view could be that functions transferred to lower levels of government from central government, but without any new financial resources, could result in less autonomy at the local level. As Falleti states:

> … if administrative decentralization takes place without the transfer of funds, such reform may decrease the autonomy of subnational officials. If subnational officials cannot refuse to provide the services, they will have to beg the national executive for more resources, which are likely to come with strings. Alternatively, and if they are constitutionally allowed, they may have to issue subnational debt to afford the delivery of the newly transferred public services. But this will place them in a more precarious fiscal situation (Falleti, 2010, pp.36-37).

Schneider (2003, p.36) hypothesises that, ‘The key attribute of fiscal decentralisation is the fiscal impact of sub-national governments relative to the overall impact of government’ and that Measure 4 (together with Measure 1), ‘provide useful measures of this concept’.

It is not obvious why the concerns outlined above, particularly relating to Measure 1, should not apply to Measure 4. The problems with using measures of financial autonomy (regulatory or financial mechanisms) as articulated by Schneider relate primarily to the problems encountered in comparative research; he recognises that such concerns should be a matter for individual country studies.

5.4.2 Levels of Financial Autonomy

Levels of financial autonomy, as noted above, are sometimes used to correct the bias contained within the big international financial data sets and to add a level of nuance regarding the level of financial autonomy that exists at the subnational level of government. Some researchers, however, reject these big data sets and prefer to measure financial autonomy as the measure of fiscal decentralisation as identified below.

Table 4: Measures of Levels of Financial Autonomy
5) Control over rate of local tax
6) Control over base of local tax
7) Control over revenue and capital spend
8) Ring-fencing of central grants
9) Co-determination of national public expenditure including the distribution of tax revenue

Source: The Author

The 1999 OECD Paris workshop, referred to above, also considered local taxation autonomy for SNGs and, as a result, taxes of SNGs are subdivided into categories of decreasing tax autonomy as follows:

- SNG sets tax rate and tax base
- SNG sets tax rate only
- SNG sets tax base only
- SNG sets tax base for SNG and central government tax(es)
- Central government sets rate and base for SNG tax

(OECD, 1999, p.11)

Measure 5 and 6. Control over the rate and base of local tax

The genesis of both Measures 5 and 6 came from the 1999 OECD Paris workshop. The key question is whether consideration of who controls the base and rate of local taxes is simply 'scene setting' or whether they constitute valid measures in themselves? Indeed, are they more valid measures than the traditional ones used by so many of the measurers? Stegarescu notes that:

> Only taxes that can be chosen independently, and over which sub-national levels of government have their own legislative and administrative powers, ensure complete financial autonomy (Stegarescu, 2005, p.304).

Rodden (2004) gives careful consideration to local autonomy in setting the tax base and rates and includes a measure that shows the share of total tax revenues over which subnational governments possess full autonomy to set their own tax rates and base. Hooghe et al. are clear that the OECD schema developed at the Paris workshop is in itself superior to the traditional measures in determining subnational government discretion over revenue; however, they do not accept such measures as a valid measure of authority. Their 'cure' is to assess regional governments' fiscal authority independently of its revenue or spending. Their fiscal autonomy domain which covers Measure 5 and 6, comprises the following, and is taken from Hooghe et al. (2010, p.19):

- The central government set the base and rate of all regional taxes.
- The regional government sets the rate of minor taxes.
- The regional government sets the base and rate of minor taxes.
- The regional government sets the rate of at least one major tax: personal income, corporate, value added, or sales tax.

- The regional government sets the base and rate of at least one major tax: personal income, corporate, value added, or sales tax.

(A similar approach is taken by Ladner et al. (2015))

It is worth noting here that discretion in setting the rate of local taxation is only part of the determination of local financial autonomy.

Measure 7. Control over revenue and capital spend

Central control over the level of local expenditure has been a consideration in determining levels of centralisation/decentralisation since at least Stephens (1974). Smith (1985) and Falleti (2010) also touch on the subject but it would be fair to say that this measure has not featured to any significant extent in the literature. Clearly, Measure 7 relates to Measures 5 and 6 in that it is all about the control by central government of sub-national government expenditure. This control can take various forms and cover both revenue and capital expenditure. In the UK, the central controls over revenue and capital spending at the local level are known as 'caps' and since the 1980s local authorities have had to limit their expenditure within strict spending rules. Such central controls can also be achieved by placing limits on levels of borrowing as set out in Measure 13.

Measure 8. Ring-Fencing of central grants

Writing about the phenomena of 'illusory decentralisation', Fesler (1965), notes that in the instance of the USA many central government grants to the state governments were so controlled that the states had very little discretion on how the money was spent and to all intents and purposes they were acting as agents for the US government. This led him to conclude that:

> The result is considerable perplexity as to whether federal grants in aid programmes are centralist or decentralist in their total effect (Fesler, 1965, p.556).

Stephens (1974) recognised the amount of central government aid from the states was not the only issue in measuring centralisation; rather, it was the level of financial responsibility each state or local authority had in spending the grant that was important. However, Stephens did not use this measure. Stephens' explanation of this omission is as follows:

> The net impact of federal aids cannot really be determined without an intensive study of every program in every state and a sampling of localities, a project beyond the resources of the individual researcher (Stephens, 1974, p.56).

Measure 9. Co-determination of national public expenditure including the distribution of tax revenue

This measure is recognised by Stephens (1974), Rhodes (1988) and Hooghe et al. (2010), specifically relating to the distribution of tax revenue. This measure implies a high level of cooperation between different levels of government and is sometimes cited in relation to three tier government, when the second tier has a role in determining how resources are transferred from the national level to the lower tier of government, as set out by Stephens (1974). Hooghe et al. (2010) include a measure of shared fiscal control that applies to situations whereby sub-national government can influence the distribution of tax revenue. Such a situation could arise out of sub-national representation in the second chamber of the national legislature or through direct discussion between the two tiers. Hooghe et al. give a 0 score where no consultation takes place, a score of 1 when negotiation takes place but there is

no local veto and a score of 2 when sub-national government has a veto over the distribution of tax revenue.

5.4.3 Sources of Income

Ten of the measurers use the source of sub-national government income as measures of decentralisation. These measures as shown below differ from the fiscal measures as they are only concerned with local considerations and do not relate to central/local comparisons.

Table 5: Sources of Income Measures
10) Percentage of own income from fees and charges
11) Own income and local taxation as a % of total revenue
12) Transfers as a percentage of subnational revenues
13) Access to loans – the ability to borrow

Source: The Author

Measure 10. Percentage of own income from fees and charges

As noted above, many writers have attempted to distinguish between transfers from central government that are totally controlled by the centre in terms of how the grant is spent and transfers where sub-national government have total discretion on how the money is spent. Some other researchers have extended this concern over financial autonomy to consider levels of central control over local taxation as noted above. Many central governments, particularly unitary states, have argued that because local authority expenditure is an integral part of public sector spending then it is right and proper that central government have some control over the levels of local taxation. Whether such arguments are justifiable are considered further in Chapter 7.

If central government controls how transfers are spent and controls levels of local taxation, then consideration needs to be given to revenue streams that exist outside of such controls. The most obvious measure in this respect could be the percentage of local income from trading, investment and fees and charges compared with transfers. As Smith notes:

> The centre could also place a ceiling on local expenditure, to be enforced by the sanction of a cut in grant. This would clearly be much more difficult to enforce if local authorities met a substantial part of their expenditure from their own financial sources…. (Smith, 1985, p.118).

Such considerations are shared by Rondinelli (1990), Ebel and Yilmaz (2003), Rodden (2003) and Ashworth et al. (2013).

Measure 11. Own income and local taxation as a percentage of total revenue

Schneider (2003) and Smith (1985) are the only researchers to adopt this particular measure. Schneider (2003, p.38) argues that: 'The percentage of local revenues from taxes provides an indicator of the degree of subnational control over resources'. Like many other researchers, he dismisses transfers as the least likely to offer financial autonomy due to the lack of discretion in local spending, but considers that local taxes offer the greatest degree of autonomy. Weir and Beetham (1999, p.270) note that, 'Freedom from central command depends ultimately on giving local councils powers to raise a higher proportion of their funding locally, and making them directly responsible to local taxpayers'.

There is considerable scepticism in the literature over whether the level of local taxation is an acceptable measure of decentralisation, but this has been covered to a considerable extent above, particularly in relation to Measures 2, 3, 5, 6 and 10. The point remains that, even if sub-national governments are wholly funded by local taxation, it cannot be assumed that they have the authority to spend however they wish.

Measure 12. Transfers as a percentage of sub-national revenues

Measure 12 seeks to determine the extent to which transfers contribute to total sub-national revenues. Most measurers take the view that the higher percentage of transfers that make up the sub-national government budget, the more centralised it is. If it could be established that other sources of revenue are less controlled by the centre then such a measure could have some credibility as an indicator of decentralisation/centralisation. Schneider (2003) takes the view that transfers are the most likely source of local finance to be controlled by the centre when compared with other sources of local finance; however, this is not substantiated.

Ashford (1979) concludes that large transfers appear to be highly correlated with centralisation. However, unless it can be established that other sources of finance are not also influenced by central control then such views are merely relative considerations rather than definitive measures in this case of centralisation. Atkinson and Wilks-Heeg note that:

> The fact that local authorities receive a significant proportion of their income from central government cannot simply be read as an indicator of centralization - the key issue is the extent to which local authorities are free to use the resources that they receive. The source of local government income is therefore at best a surrogate measure of local autonomy and at worst a misleading one (Atkinson and Wilks-Heeg, 2000, p.76).

In commenting on UK central/local relations in the early to mid-1980s, in particular the reduction of central government grant to 'overspending' councils, Duncan and Goodwin (1988, p.119) concluded that this allowed such councils to 'reclaim their financial autonomy'.

Measure 13. Access to loans – the ability to borrow

Access to loans is recognised as an important financial tool for local authorities by a number of researchers including Smith (1985), Rondinelli (1990) and Rodden (2004); however, they

are largely considered in terms of sources of finance rather than indicators of centralisation/decentralisation. Rhodes, (1988, p.118) however, considers access to loans in terms of the level of central government control over local finance but does not identify them as a specific measure. It was not until Ladner et al. (2015, p.5) and Hooghe et al. (2016, p.37) that the ability of sub-national government to borrow was used as a single measure.

5.5 Policy Scope Measures

Policy scope as a potential measurement domain looks at the distribution of functions carried out by different levels of government. Two measures of policy scope are set out in Table 6 below. On the face of it, the amount of responsibility held by either central or sub-national government would be an obvious area of interest in the measurement of decentralisation. If central government devolves responsibility for a large part of its responsibilities without controls to sub-national government, surely one can only conclude that decentralisation had occurred? Similarly, if the constitution of a country from its very beginnings reserved responsibility for a significant range of functions for sub-national government, would it not be self-evident that that country was decentralised? Clearly, the levels of control operated by central government over devolved functions is not unimportant, but this could be given due deliberation in the same way that was given to financial autonomy by the federal fiscal measurers. Examining different levels of controls operated by the centre over the local by different functions would be a significant undertaking. The scale of such a task was recognised by Falleti (2010) in that she chose only one function to measure policy authority.

In fact, only a handful of measurers have given significant consideration to the role of policy scope in measuring decentralisation. The reason for this apparent oversight does not appear to emanate from any theoretical concerns; rather, it may be related more to problems of operationalising the measure. Rodden (2004, p.486) almost bluntly notes, 'The

decentralization of policy autonomy is rarely addressed by empirical scholars because it is difficult to measure'.

Table 6: Policy Scope Measures
14) Extent of functions
15) Control over specific policy areas

Source: The Author

Measure 14. Extent of functions

This measure looks at the number of functions that are either the responsibility of central or sub-national government. The more functions carried out at the local level, the more decentralised the country is. Stephens (1974) is the first measurer of policy scope which he calls a service index. He identifies 15 major functions and compares the proportion of total expenditure by state and local units for each function. The 15 functions are as follows:

- Elementary and secondary education
- Higher education
- Police
- Corrections
- Airports
- Highway construction
- Highway maintenance
- Public welfare – categorical assistance
- Public welfare – non categorical assistance
- Health
- Hospitals
- Libraries
- Natural resources

- Housing
- Urban Renewal

(Stephens, 1974, pp.59-60)

However, his apparent preference was to compare the number of personnel employed by the state and local authority for each function but at the time the data was too limited (see Measure 22). Again, it is an example of the availability of data determining what measure is selected. The most recent user of this measure is Hooghe et al. (2010) who include the following functions within their policy scope domain:

- Economic policy
- Public utilities
- Infrastructure
- Cultural/education
- Welfare
- Health
- Social housing
- Police
- Residual powers*
- Authority over own institutional set up**
- Authority over lower tiers of government
- Authority over immigration or citizenship

*Residual authority is considered under Measure 19. (This covers regional government responsible for policies which are not constitutionally mandated for the central government.)

** Electoral autonomy is considered under Measure 28.

(Hooghe et al., 2010, p.16)

Hooghe et al. (2010) ascribe different scores according to the number of functions over which that regional governments have authoritative competence over, across three groups which cover the first seven functions outlined above. These groups are economic policy, cultural-education policy and welfare policy. The final and highest score is reserved for regional government that has authority over all three policy groups together with immigration or citizenship. Similar functions are used by Ladner et al. (2015, pp.20-21).

A number of the measurers recognise that it is rarely the case that total responsibility for a particular service rests entirely with a particular tier of government. In many cases, the authority for a particular service is shared between different levels of government. Smith (1985) notes that determining the split in the shared responsibility can be quite complicated. Rodden notes that:

> In the vast majority of cases, decentralization entails a move from complete central dominance to joint involvement of the centre and one or more subnational tier. Even in the cases where the central government is not involved, authority is often shared between two or more subnational tiers (Rodden, 2004, p.486).

In the case of the UK, the level of shared authority varies for different services and ministries. The often quoted example of the lack of shared authority is the Education Act, 1944, where it states that the duty of the Secretary of State for Education and Science is to 'secure the effective execution by local authorities, under his control and direction….' (HMG, 1944, Sct1.). Although there are clearly difficulties in determining differential levels of authority in a shared arrangement, it must surely warrant further investigation.

Measure 15. Control over specific policy areas

A number of researchers look at the distribution of authority for a small number of specific functions. Brancati (2006) includes education and the police and justifies the selection of these two functions with three reasons. Firstly, these functions reflect powers that are central to all governments and, secondly, they are likely to feature in the country's constitution (which would facilitate data gathering). The final justification relates to the subject of her work as they are likely to be areas of government responsibility over which ethnic conflict and secessionism could erupt. Rodden (2004) also considers education and the police but also includes infrastructure.

Brancati's selection of specific policy areas demonstrates that, for some researchers, it is the subject of their research that determines their choices rather than a more general consideration of how decentralisation can be measured. These concerns raises the question about what policy areas of government are appropriate to include in any measure of decentralisation. Rodden's work highlights another area of interest. Unlike Brancati, who treats the responsibilities for her two functions in a general sense (although this does prompt her to consider issues relating to shared responsibilities), Rodden is more specific. For example, in terms of education he considers what tier is responsible for the curriculum or who 'hires and fires' the teachers. Such considerations could prompt a serious examination of how policy scope should be measured because, clearly, it cannot simple be a list of functions.

5.6 Operational Freedom Measures

The Operational Freedom Domain represents a collection of measures, as set out in the Table 7 below, which helps explain non-financial freedoms that might exist for sub-national government. They broadly relate to aspects of autonomy and they have the potential to relate

to measures of authority. They do not follow a particular theoretical framework apart from their potential relationship to the distribution of authority.

Table 7: Operational Freedom Measures
16) Local veto
17) Local appointments
18) Audit & Inspections
19) General power of competence
20) Central government guidance
21) The ability to legislate
22) Political freedoms

Source: The Author

Measure 16. Local veto

The ability of sub-national government to veto certain decisions of the central executive has been touched on in Measure 9 in relation to the distribution of tax revenue. A sub-national veto is an integral element of shared rule as envisaged by Treisman (2002), Rodden (2003), Arzaghi and Henderson (2005), Hooghe et al. (2010) and Ashworth et al. (2013), but it is Hooghe et al. who are responsible for the most extensive development of this concept, which was also subsequently used by Ladner et al. (2015).

Measure 17. Local appointments

Treisman (2002) defines six concepts of decentralisation, one of them being 'appointment decentralization'. Essentially, this concern deals with the question of what tier of government appoints officials. If a central authority appoints official to posts in a lower tier of government then such a situation would be considered centralised. In other words, 'the more appointments are made "from above", the lower level of appointment decentralization'. (Treisman, 2002, p.10)

This measure becomes a little more complicated when the concerns of Rodden (2004) are considered regarding the election of officials who are either selected from a slate of

candidates chosen by the central party or may be selected by the local party. I do not, however, consider whether the official is elected or appointed to be the most pertinent point in determining differential levels of authority; rather, it is which level makes the decision. In any event, elections as a measure of decentralisation is considered below in Measure 28.

Another complication to what appears at first sight to be simple measure is raised by Stephens:

> A centralized organization or institution is one in which the lower levels and employees assigned thereto are subject to central directives and discipline and identify in one way or another with the central leadership, for example, professionally, by interests, or in goals and values (Stephens, 1974, p.52).

The example given by Stephens relates to the influence of the professions which, presumably, are national or even international organisations. It would follow that the more influence that the professional institution brings to bear on the local official, the less authority is exercised by the elected sub-national tier of government, and the more centralised the situation becomes. Such considerations are interesting, but they are beyond the scope of my research, a matter I return to at 10.7 in the final chapter. What for me is more pertinent is the direct influence central government has on the working practices of officials in the different functions of local government. Are some functions more locally orientated than others? This issue is considered under Measure 20 below.

As well as considering the generalities of local appointments, Falleti (2010, p.62) also considered more detailed arrangements relating to educational services in South America. In particular, she identifies six indicators of 'policy making authority' relating to the decentralisation of education, including the control of the terms and conditions and salaries of teachers. The level of detail Falleti enters into for one service area is unusual; however, it

indicates the possibilities of such an approach relating to wider range of services under the general grouping of policy scope.

Measure 18. Audit and inspections

The definition of audits has proved surprisingly difficult. Power (1997, p.4) considers that searching for a definition of auditing is 'not easy or even desirable.' However, he goes on to identify the ingredients of an audit practice including independence (from the matter being audited), evidence based (gathering and examining documentation), the expression of a view and a clearly defined object of the audit process. Boyne et al. (2002, p.1198) define inspections thus: 'Inspection is one of a number of instruments that can be used by a superior organisation to regulate the behaviour and performance of another'. The terms audit, inspection and regulations are often used in an interchangeable way and different agencies often dispute the terms accredited to them; for example, Day and Klein (1990, p.5) note that 'the Audit Commission never liked being called inspectors'.

Only Stephens (1974), Smith (1985) and Rhodes (1988), amongst the measurers, consider the possibility that inspections and other requirements of state government on local government could have an effect on levels of authority. Griffith notes in relation to British central/local relations that inspections are 'one of the most powerful means whereby government departments are able to exercise influence over local authorities' (Griffith, 1966, p.56). Stephens calls this a broader manifestation of political power, noting that:

> Machinery for communication, reporting, inspection record-keeping, and conflict resolution will exist at the higher level or at least be responsible to the central unit. A decentralized situation is evident by an absence of these characteristics (Stephens, 1974, p.52).

Stephens does not include the broader manifestation of political power as a specific measure, noting that: 'Simply citing legal restrictions, however, does not reveal the overall relationship between state and local government' (Stephens, 1974, p.52). Rhodes (1988) recognises the role of audits and inspections in central control over 'sub central government' although in referring to sub-national government and audits, he notes:

> In recent years they too have experienced both a tightening of the financial screw and at times dramatic transformation in the nature of controls (Rhodes, 1988, p.120).

However, later in the same publication he records that centrally controlled inspections, as carried out by the Audit Commission, can only be considered as a 'supplementary' way of the centre controlling sub central government in order to achieve its own policy goals.

Measure 19. General power of competence

In the case of the UK, up until the Local Government Act, 2000, local government operated under the common law doctrine of *ultra vires.* In other words, local authorities could only do something or spend money that it was authorised to do in statute and, if it acted beyond these powers, it would be considered *ultra vires*. The 2000 Act introduced the power of 'well-being', which most scholars and lawyers agree gave more discretionary power to local authorities. Subsequently, local government was given a general power of competence under the Localism Act, 2011. Smith (1985) notes the relevance of considering *ultra vires* in looking at differential authority. Firstly, in looking at the types and extent of delegation from central to local government and the relationship to the distribution of power, he notes that the existence of a general power of competence vested in area governments against the ultra vires doctrine is an important factor in this regard. The second area he looked at was the ability of municipalities to generate their own trading income and the difficulties in doing so when they operate under the *ultra vires* principle.

Measure 20. Central government guidance

Government advice to local government comes in many forms, including ministerial circulars, good practice guides and policy guidance. Rhodes (1988) does not consider that such guidance is particularly influential in determining the choices and actions of local authorities. He notes:

> Although circulars can have express statutory backing, it is far more common for them to proffer advice which is variously seen as meddling, paternalistic and irrelevant. On occasion, such advice is seen as helpful and is read before filing. The formal numbering of circulars facilitates this last activity, and they can penetrate no further than the chief executive's secretary! (Rhodes, 1988, p.133)

To give an example, if an English local authority files away the latest planning 'circular' and refuses a planning application which a particular circular promotes, the planning inspector will be well aware of its content and will place greater weight on it than the concerns of the local authority. There are other examples where central government guidance ultimately determines what happens in a particular local authority. The question is, does central government guidance affect authority? I think it would be rash to conclude that it does not, as there are examples where actions take place because of the existence of this guidance that otherwise would not happen. This goes to the core of Dahl's (1963) definition of authority and thus warrants at least some consideration as a measure of authority.

Although I conclude that further consideration of including a measure of differential authority relating to the effect of government guidance is appropriate, the question will need to be addressed as to whether such concerns are a specific measure, or along with statute, form part of the determination of policy scope.

Measure 21. The ability to legislate

Treisman (2002, p.14) in his six concepts of decentralisation includes 'decision making decentralization'. In this particular concept, he looks at the extent to which sub-national actors have the right to make 'political' decisions and includes three categorisations (scores):

- Weak autonomy – constitution reserves exclusive right to legislate on at least one specific policy area to sub-national legislature.
- Residual authority – constitution gives sub-national legislatures exclusive right to legislate on policy areas not specifically designed in the constitution.
- Sub-national veto – regionally-chosen upper house of parliament has constitutional right to block legislation.

The ability to legislate represents an extremely high level of local authority and is unusual in a unitary system of government. However, it cannot be questioned as a legitimate measure of authority.

Measure 22. Political freedoms

In considering non-financial controls over sub-national government, Rhodes (1988) raises the issue of political controls. In explaining this concept, he states:

> The phrase 'political controls' does not refer to political party or partisan controls of local authorities but to the way in which the local authority conducts its affairs (Rhodes, 1988, p.135)

The most obvious constraint is the restriction imposed by central government on 'political advertising' brought about by the Local Government Act, 1986. This restricts local authority publicity to general information about council activities. There was a widely held view

amongst Conservative MPs that it was wrong to ‘play politics on the rates’ but no such concerns materialised about ‘playing politics on the taxes’.

There are other examples of restrictions imposed by the centre on local political activity which again warrant further consideration as a measure of authority and are considered in Chapter 7.

5.7 Other Measures

There are a number of measures as set out in the Table 8 below, which are identified and used by the measurers to determine changes in the levels of centralisation/decentralisation, some of which are quite popular but do not easily fit into financial, policy scope or operational freedom categorisation.

Table 8: Other Measures
23) Ratio of employees between central and local government
24) Constitutional recognition
25) Number of tiers and elections of local government
26) Federalism
27) Shared rule including co determination of national policy
28) Regional representation in second chamber

Source: The Author

Measure 23. Ratio of employees between central and local government

Stephens (1974) is the main exponent of this measure. Stephens concluded that because the bureaucracy of any government is so important, both politically and for the delivery of public services, it needs to be measured and he chose to measure it in terms of the distribution of the number of personnel employed by different levels of government. He adjusts the actual numbers by factoring in the amount of expenditure on staff on a service by service basis in order to provide a more nuanced score. Stephens concludes that:

> The result is an adjustment for differing labor input characteristics of state and local services which produces a more realistic personnel distribution modified for the kind of services being performed (Stephens, 1974, p.63).

The fact that Stephens felt it necessary to adjust the crude numbers of those employed to develop a more realistic measure of decentralisation is a clue that something is not quite right with this measure.

Measure 24. Constitutional recognition

Both Treisman (2002) and Woldendorp et al. (2001) and, to a lesser extent, Hooghe et al. (2010), consider that the enshrinement of the role, purpose and legal position of local government in the national constitution is an important factor in determining levels of decentralisation. It is difficult to argue against such conclusions, particularly when long term considerations are of import. But in the case of countries where a written constitution does not exist, such conclusions are unhelpful in determining d levels of decentralisation in a single country or part of a country such as England over time.

Measure 25. Number of tiers and elections of local government

Nine measurers considered in Chapter 4 use this measure in relation to decentralisation, but it is difficult to understand why when it is essentially a measure of democracy. It is, perhaps, not surprising that, apart from Hooghe et al., all the users of this measure are federal measurers. Hooghe et al. do not use democracy as a direct measure but as part as an overall measure of local representation covering both the assembly and executive. They state: ‘We conceive regional authority with respect to representation as the capacity of regional actors to select regional office holders….’ (Hooghe et al., 2010, p.20).

In itself, this is an understandable measure as it recognises the importance of local selection of decision makers rather than having them imposed from above; however, this concern does not necessarily relate to the extent of local appointments (covered in Measure 17).

Measure 26. Federalism

As noted in Chapters 2 and 4, federalism is seen by some as being synonymous with decentralisation and, therefore, it is not surprising that five measurers include federalism as an actual measure. The appropriateness of such a conclusion must be questioned, but little purpose would be served by this, given that my research is based on a unitary state.

Measure 27. Shared rule

There are many states around the world where sub-national government share authority with the central administration in the government of the nation. Five measurers take on board the concept of shared authority in the measurement of decentralisation. Hooghe et al. (2010) look at five areas of shared authority: law making, executive control, fiscal control, borrowing control and constitutional reform. The inclusion of shared rule is clearly a valid dimension in the determination of levels of decentralisation; however, it is only useful where such a situation exists. The pertinent question is how the existence of shared rule can be determined, particularly in a non-federal arrangement and when a written constitution is absent.

In the case of England, it is not unreasonable to consider the role of the Local Government Association (LGA) in co determining policy relating to local government. The LGA is a UK national membership organisation of elected local authorities that represents the views of their members particularly in discussions with Central Government. However, there is little academic support that the LGA codetermines policy on local government with Central Government. As Rhodes notes:

> The national community is not ineffectual… but equally it is not a decisive or determinate force: it is a legitimized consultative channel with neither the resources nor, in many instances, the desire to challenge government…[it] can be seen as a constraint on central departments. The description 'post offices' seems to underestimate the effectiveness of the national community just as the description 'part of the constitution' overestimates it. The truth is far more prosaic: it is a domesticated pressure group (Rhodes, 1988, p.415).

Measure 28. Local representation in national second chamber

The ultimate expression of the authority of sub-national government is its inclusion in national decision making. Treisman sums up this issue:

> Decision making decentralization is not just a matter of subnational autonomy. It is also enhanced if subnational actors have the right to shape central decisions. Various constitutions explicitly entrench such rights. Usually, this occurs by means of an upper house of parliament that represents subnational governments or electorates. The German Bundesrat, composed of representatives of the Land governments, has authority to veto certain bills. The Russian Council of Federation, which between 1996 and 2001 comprised the leaders of regional governments and legislatures, could require a supermajority in the lower house on some legislation. Thus, a third indicator of decision-making decentralization is whether a regionally chosen upper house of parliament exists with the power to block legislation. I refer to this power as that of "subnational veto". Different types of legislation may be subject to different procedures for passage (Treisman, 2002, p.9).

5.8 Conclusions

In this chapter I have identified 28 measures of centralisation/decentralisation, which have been developed by the measurers considered in Chapter 4. The measures sometimes overlap and, at other times, demonstrate a possibility of subdivision into multiple measures. In some instances, the measures follow a clear line of development over time. More frequently, they are invented and re-invented with little reference to previous research. With two exceptions, the measures are distributed widely across the three 'schools' of measurers. The two exceptions are the unique use of non-traditional financial measures (Measures 7-9) by the central/local relations measurers and the more extensive use of operational freedom measures also by the central/local relation measurers.

It is the purpose of this chapter to review existing measures but not to come to categorical conclusions on the most appropriate measures of authority in England between 1945 and 2015. This will be the subject of Chapter 7, following consideration of the English context in Chapter 6.

CHAPTER SIX: CENTRAL/LOCAL RELATIONS - CHANGING PATTERNS OF COUNCILS' AUTHORITY 1945 - 2015

6.1 Introduction

This chapter critically analyses the major developments that have taken place in English local government between 1945 and 2015, in relation to central/local relations. The focus is on the changes to policy scope (the range of responsibilities), finance and operational freedom. This analysis will be critical in the operationalisation of my research both in terms of ensuring that the measures of centralisation/decentralisation are relevant to the research area and that the concerns of the researchers of central/local relations since 1945 are reflected in the selection of the measures in Chapter 7. Additionally, this chapter provides the evidence needed to build the LAI which takes place in Chapter 8.

6.2 'The Golden Age of Local Government'

A number of writers on UK local government point to a 'golden age' of local government that pre-dates my study period. Owen (1982) details the difficult but ultimately transformative development of local government in Victorian times moving from an antiquated system of administration to a model of rational municipal government. Briggs (1990) celebrates the achievement of five English municipalities in the development of new urban environments that transformed the lives of millions of people. More recently a number of researchers have claimed that the 1930s should be considered the 'golden age' of local government. Wilson and Game note:

> During these years a system of multi-functional, elected and genuinely local authorities was the provider of more major services to its citizens than at any time

> before or since. Raising much more of their revenue from their own local rates than from central government grants, these authorities were substantially free from detailed central direction and intervention. (Wilson and Game, 2011, p.59)

Like all ‘golden ages’, nostalgia is probably more pervasive than would be required by an objective account. One pertinent consideration, for example, is that turnout at local elections was less than 50% in 1918 and, in the case of Birmingham, the average turnout for contested seats in the 1930s was 36%. (Wilson and Game, 2011, p.253) The ‘golden age’ was not a glistening edifice for all. Concerns were being raised at the time as to whether this bastion of local democracy was fit for purpose. As Robson noted in 1966:

> For the last thirty or forty years it has been abundantly clear that our system of municipal government was being subjected to a serious and potentially dangerous strain owing to the fact that it was confronted with tasks far greater than those which it was designed to perform. (Robson, 1966, p.9)

Although this particular quotation appeared after the Second World War, William Robson was expressing such views throughout the 1930s, and as such, his concerns can be considered as contemporaneous.

It was also argued that, while local government was something to celebrate, it was also an institution that needed defending from an overbearing level of control by central government. In *A Century of Municipal Progress 1835–1935* (Laski et al., 1935), Harold Laski and his co-authors’ celebration of local government is clear, although it was written at a time of political and economic crisis. Young (1985, p.2) notes that, at this time, ‘the institutions of local government were threatened with a fundamental subordination to national policies’. The threat was real but so was the defence. By way of example, in September 1931 the Treasury announced a 10% pay cut for all public-sector workers but despite many machinations,

ultimately failed to impose the cut across all of local government due, due to a spirited defence by local government, and the trade unions and also a lack of vigour on the part of central government. (Young, 1985, pp.3-7). Such a situation was not to be repeated post war.

6.3 The Three Epochs

Detailed analysis of central/local relations for my period of study can be found in Robson (1966), Loughlin et al. (1985), John (1990), Newman (2001) and Copus et al. (2017). Since one of the purposes of this chapter is to provide the evidence to construct the individual measures of the Local Authority Index (LAI), I rely almost wholly on these and other secondary sources, with two exceptions. The first exception is a review of the political manifestos of the Labour Party and Conservative Party between 1945 and 2010. The second is a number of significant government reports into local government. This chapter is structured around three periods which most writers consider as having defining characteristics:

- 1945 – 1974 Consensus and stability
- 1974 – 1997 Rupture
- 1997 – 2015 Earned autonomy and modernisation

There is a great deal of consensus among political scientists that English central/local relations since the Second World War can be divided into three distinct periods, as outlined above. The first period is characterised by consensus and stability between central and local government, where Skelcher (2004, p.28) notes local authorities were perceived as the focus of local democracy and were responsible for a substantial range of services and functions.

Skelcher (2004, pp.28-29), who terms such arrangements as the period of sovereign councils, dates this situation from the mid–1940s to the early 1980s; however, there are clear indications that consensus and stability were breaking down before then, as a result of the financial crisis that occurred in the middle of the 1970s.

Between 1974 and 1997, there appears to have been an almost total rejection of the concept of sovereign councils by central government and, as Atkinson and Wilks-Heeg (2000, p.29) note, the old orthodoxies were overturned. The challenge to local government, however, changed with the election of the Blair Labour Government in 1997. While local government was no longer considered a pariah by central government, there was no return to the sovereign councils of the first epoch.

In considering the three epochs of central/local relations, I examine in some depth the developments in policy scope, financial autonomy, and operational freedom.

6.4 Consensus and Stability 1945-1974

In this period, local government was seen as a trusted and successful partner in delivering post-war reconstruction and, as noted by Leach et al. (2018, p.1), 'local authorities had demonstrated their capacity to deliver on priorities typically shared with the centre'.

Skelcher (2004, p.28) described local authorities during this period as 'sovereign councils' which possessed two distinct features:

- They are the legitimate democratic focus for the community that has discretion to interpret and implement central government mandates.
- They have responsibility for a large number of functions (which I have identified as policy scope).

Furthermore, councils were perceived as being independent. In his study of political life in Glossop, Birch (1959, p.187) concludes that the Borough Council was one of only a few institutions that could be considered 'independent of external authorities'. Dearlove (1973, p.20) reaches a similar view in his study of Kensington and Chelsea noting that 'local authorities are by no means the passive agents of central government'.

However, the period ended with growing concerns about local government finance in general and the growing level of financial support provided by central government in particular.

The consensus and stability in central/local relations should not be interpreted as a stagnant period in the development of local government; in fact, it was dramatic, particularly in the area of policy scope and the structure of local government. Table 9 notes 13 major government reports on local government including the Redcliffe-Maud Commission, which proposed significant changes to the structure of English local government. Although the commission's recommendations were not fully adopted by central government, it did result in the Local Government Act, 1972, which is generally perceived as the most far-reaching change in the system of local government in England (and Wales) since 1888, by abolishing the old county boroughs and creating a two-tier system of local government.

Although central government inquiries into local government during this period were dominated by issues of structure, size and organisation, there was also an enduring concern over the effect of local taxation on the populous at large and businesses in particular, as expressed by the Allen Committee in 1965. One exception was the Local Government Manpower Committee (1950) which was a remarkable collaboration between central and local government that set out to improve working arrangements between the two tiers of government.

Table 9: Government Reports on Local Government 1945 – 1974			
Date	Title	Chair/ Committee/ Department	Purpose
1950	First Report of the Local Government Manpower Committee	P. D. Proctor	The use of personal by central and local government and the distribution of functions.
1959	Fifteen to Eighteen	Crowther	Education provision for 15-18 year olds.
1960	Royal Commission on Local Government in Greater London	Herbert	Reorganisation of London local government
1963	Half our Future	Newsom	Education provision for 13-16 year olds
1963	Higher Education	Robbins	Higher Education
1965	The Allen Committee Report	Professor Allen	The effect of rates upon various sections of the community.
1967	The Management of Local Government	Sir John Maud	The management of local authorities
1967	The Staffing of Local Government	Sir George Mallaby	The attraction & retention of staff & councillors in local government
1967	Children and Their Primary Schools	Plowden	Primary Education
1968	Report of the Interdepartmental Committee on Local Authority & Allied Personal Social Services	Frederic Seebohm	Review the organisation & responsibilities of the local authority social services.
1968	Curtis Committee	Curtis	To investigate contemporary childcare practice
1969	Report of the Royal Commission on Local Government in England	Lord Redcliffe-Maude	To consider the structure of local government outside Greater London including the boundaries, functions and size and area
1972	The New Local Authorities – Management and Structures	Bains*	To provide advice for the new local authorities established in 1974 on management structures at both member and officer level.

* Mr Bains headed the working group that produced the detailed recommendations.

Source: The Author

A distinguishing feature of councils during this period was the existence of Aldermen who were appointed by councillors and not the electorate at large. Although unelected, Aldermen had the same power as councillors and during this period were increasingly perceived as anachronistic and undemocratic. Jones (1969, p.266) recorded the views of Wolverhampton

councillors in 1955 who were concerned that Aldermen were simply ‘elected to suit the whims and fancies of the controlling political parties’. As a result of the Local Government Act 1972, Aldermen were abolished in 1974.

6.4.1 Policy Scope

The period between 1945 and 1974 experienced significant changes in policy scope, including utilities, health, infrastructure, welfare, education and planning, which are summarised in Table 10. Not surprisingly, much of the attention was focussed on the nationalisation of the municipal utilities - gas, water, and electricity (see Smellie, 1968). However, local authorities also took on new and enhanced responsibilities particularly relating to welfare issues. As Jackman (1985) notes:

> Clearly then there has been a great change in the types of activities in which local authorities have been engaged over the last fifty years, which can perhaps be crudely characterized as a shift from the provision of trading services (‘gas and water socialism’) towards the array of services of the post war (cradle to grave) welfare state (Jackman, 1985, p.150).

Table 10: Summary of Changes in Local Government Functions 1945 - 1974			
Function	Date of Implementation	Act or Report	Purpose
Transfer of Functions from Local Authorities			
Water Supply	October 1945 1974	Water Act 1945 Water Act 1973	Start of national water supply policy. Transfer of water supply and sewage disposal
Hospitals & Health	5th July 1948 1974	National Health Act 1946 NHS Reorganisation Act 1973	Creation of the National Health Service Abolition of Local Health Authorities and Executive Councils
Trunk Roads	1946 -1964	Trunk Roads Act 1946	Transfer of 3,000 miles of Trunk Roads to MoT
New Towns	Mark 1. 1946 - 1950	New Towns Act 1946	Vested planning powers with Development Corporations
Industrial and Office Development	1948 1965	Town & Country Planning Act 1947 Control of Office & Industrial Development Act 1965	Introduction of IDCs to control location of industrial development Introduced OPPs to control location of office development
Civil Aviation	1946	Civil Aviation Act 1946	Power for central government to take over existing airfields
Public Assistance	1946	National Insurance Act 1946	Reduction in the responsibility of Public Assistance Authorities
Passenger Road Services	Not implemented	Transport Act 1947	Nationalisation of passenger bus services
Education	1974	Circular 4/74	LEAs *required* to submit plans for reorganisation
Electricity Supply	1948	The Electricity Act 1947	Generation of electricity passed to the Central Electricity Generation Board & distribution entrusted to 12 regional Area Electricity Boards
Gas Supply	1948	Gas Act 1948	Nationalisation of gas production and supply
Welfare payments	1948	National Assistance Act 1948	Transferred welfare payments from local authorities to the National Assistance Board
Rate base - Property Valuation	1948	Local Government Act 1948	Valuing property for rating purposes moved

			from local authorities to the Inland Revenue
Housing Rent	1972	Housing Finance Act 1972	Rent setting centralised
Police	1964	Police Act 1964	Establishment of Police Committees
Shared Functions			
Education	1945	Education Act 1944	Framework of public education
Economic Development	1974	Training Act 1973	Formation of MSC with LA representatives
Transfer of Functions to Local Authorities			
Civic Restaurants	1947	Civic Restaurants Act 1947	
Town Planning	1948 1952	Town & Country Planning Act 1947 & Town Development Act 1952	Establishment of new Planning System Town expansion scheme
Fire Services	1947	Fire Service Act 1947	Returned fire services to local authorities
Entertainment & the Arts	1948	Local Government Act 1948	Permits local authorities to support entertainment and the arts
Children	1948 1963 &1969	Children Act 1948 Children & Young Persons Acts 1963 & 69	L.A.s given wider powers and duties for looking after children deprived of a normal home life Support for child welfare work
Housing	1949	Housing Act 1949	LAs allowed to build general needs housing
Passenger Road Services	1953	Transport Act 1953	Repeal of 1947 Transport Act
Health	1960	Mental Health Act 1959	Conferred new responsibilities to local authorities including the inspection of hospitals and nursing homes
Education	1974	Circular 10/74	LEAs no longer *required* to submit plans for reorganisation

Source: The Author

6.4.1.1 Utilities

The utilities cover gas (supply and manufacture), electricity (supply and generation), water supply and sewerage and sewage disposal.

Prior to 1947, local authorities owned 66% of the electricity supply and 37% of the gas industry in the UK (Robson, 1966, pp. 21-24). The Electricity Act, 1947, nationalised the generation and supply of electricity. The Gas Act, 1948, deprived 274 councils of their municipal undertakings. According to Robson (1966, p.23), no compensation was paid to local authorities for the acquisition of their gas or electricity undertakings, although this assertion is contested by Chandler (2007, p.173). Local authorities were not at the time perceived as being inefficient in terms of the supply and generation of electricity and gas; indeed, Robson concluded that local authorities performed well compared with private suppliers.

Although the 1945 Labour election manifesto announced its intention to nationalise the water supply industry, this did not actually take place until 1974, as a result of the Water Act, 1973. According to Robson (1966, p.20) in 1966, 80 per cent of the water supply industry was municipally owned. Sewerage and sewage disposal were the responsibilities of 1,300 councils with a further 24 bodies comprising joint sewerage boards. After 1974, these functions were transferred to ten multi-purpose Regional Water Authorities (Jordan et al., 1977, p.317).

6.4.1.2 Transport

This policy area includes roads, passenger transport, traffic management, airports and transport planning. Attempts had already been made before the war to transfer some of the road network from local government to central government and this development was accelerated by the 1946 Trunk Roads Act, which resulted in a further 3,000 more miles of trunk roads being transferred to the Ministry of Transport (Robson, 1966, p.14).

Before World War Two, 95 local authorities, mostly borough councils, operated bus services. The Transport Act, 1947, nationalised inland transport including all passenger road services

which would be taken forward through plans to be drawn up by the newly formed British Transport Commission. However, progress was very slow, as noted by Robson (1966, p.20). Local authorities resisted these proposals but of more influence was the private sector who lobbied hard against the Act, which was eventually repealed by the Conservative Government through the Transport Act, 1953, and bus transport remained in the hands of local authorities, for the time being at least.

As a result of the Transport Act 1968, six Public Transport Authorities (PTAs) were established in England covering the major conurbations. The PTAs comprised councillors drawn from the Cities, Boroughs and District Councils covered by the PTAs. It is difficult to conclude that the transfer of authority from the local councils to the PTAs represented a loss of authority overall as it was merely a pooling of responsibility, not a loss. With the establishment of the Metropolitan County Councils in 1974, the functions of the PTAs were transferred to them. In 1970, the Greater London Council (GLC) took over responsibility for public transport from the DoT appointed London Transport Board.

6.4.1.3 Planning

The planning function includes development management, development plans and regional planning. The Town and Country Planning Act, 1947, sought to both correct some of the shortcomings of the pre-war planning system, whilst also nationalising the right to develop land. These rights were effectively transferred to local government in the guise of the new local planning authorities. The Act was seen by overseas commentators as revolutionary (Grant and Healey, 1985, p.169) and as widening the powers of local authorities (Loew, 1979, p.17). Central to the ‘new planning system’ was the Development Plan, prepared by county boroughs and counties which, according to Hall (1973, p.373), ‘leant heavily towards the principle of local autonomy’. The level of autonomy was significant, but it was not

unfettered. The Act required planning authorities to submit their plans to the Minister for approval. However, as Cherry (1982, p.5) reminds us, although planning was entrusted to local government to 'draw up plans, central government approves them'.

If the 1947 Act conferred on local authorities a new level of authority, the New Towns Act, 1946, bypassed them altogether, despite the recommendation of the Committee, established by the Minister and chaired by Lord Reith, to consider the development of New Towns concluding that 'local authorities should be permitted to initiate the creation of new towns if they desired to do so' (MT&CP, 1946, para 9 (6)). The last New Town in England was designated in 1970.

The 1952 Town Development Act encouraged local authorities to work together to provide for the expansion of towns in Shire areas, to meet the needs of the conurbations. This was in stark contrast to the centralised provisions of the New Town Act. Further planning legislation (including the 1971 Town & Country Planning Act) and guidance continued to be issued by central government throughout the 1960s and 70s, but the essential responsibilities vis a vis central/local responsibilities remained the same.

Part of the provisions of the 1947 Town and Country Planning Act was the introduction of Industrial Development Certificates (IDCs), which aimed to deter industrial developments in the most prosperous parts of the country and encourage them in less prosperous areas. IDCs were required from the Board of Trade (from 1970 the Department of Trade and Industry) for industrial development over a certain size. Similar requirements were introduced for office developments in 1965 – Office Development Permits (ODPs).

6.4.1.4 Health

This policy area covers curative health, mental health, public health and the ambulance service. The National Health Act, 1946, resulted in the creation of the National Health

Service and the loss of primary health provision (curative health) from local authorities. Prior to 1948, when the Act took effect, local authorities were the main providers of health care in the UK. London County Council was the biggest hospital authority in the world. The 1944 White Paper (proceeding the 1946 Act) included a number of provisions that were not taken forward, including part funding through local rates and hospitals grouped under local authorities.

Local authorities, however, were not entirely excluded from the provision of health services as they retained responsibility for a number of important services through their role as 'Local Health Authority'. Such services included the appointment of Medical Officers of Health, maternity and child welfare clinics, health visitors, midwives, health education, vaccination and immunisation, and ambulances. In addition, local authorities were represented on the Executive Councils, which were responsible for the contracts of GPs, dentists, opticians and pharmacists. They were also responsible for dealing with complaints from patients.

The 1973 NHS Reorganisation Act established community health councils and unified health authorities, which superseded the local health authorities and executive councils. Community health councils were established in 1974 and included local authority appointees; however, these new bodies were essentially consultative organisations (Hill, 1993, p.149) and were abolished in 2003. The new 'unified health authorities' included regional health authorities and 90 area health authorities and, as far as local authorities were concerned, took over responsibility for most of the services previously provided by the local health authorities.

The Mental Health Act, 1959, conferred new responsibilities to local authorities, often in conjunction with the Minister of Health, including the inspection of hospitals and nursing homes. The registration for certain hospitals and nursing homes also rested with local authorities as did making applications for observation and treatment for people suffering from

mental illness, application for guardianship and the provision of residential accommodation, training facilities and supplementary services for the benefit of ‘persons suffering mental disorder’ (HMG, 1959).

6.1.4.5 Housing

The housing functions cover social housing building and housing management. Between 1945 and 1955, the role taken by central government was to support local authorities to build new homes. The support came from enhancing the ability of local authorities to obtain land for housing, increasing financial subsidy from the Treasury in 1946 and 1952 and access to ‘cheap’ finance from the Public Works Loan Board (PWLB). In addition, the 1949 Housing Act allowed local authorities to provide general-needs housing. When the Conservatives came to power in 1951, they had a commitment to build 300,000 houses and local councils were an essential partner in delivering this manifesto pledge which was met and, indeed, exceeded. Having met the target, Conservative policy changed in terms of public sector housing from the mass building of houses to slum clearance and to rehouse the displaced occupiers of the slums. As Short (1982, p.157) notes, from 1956 councils reverted to providing housing just for those people who could not afford to buy their own homes.

In 1955, central government decided that local authorities should use the money markets rather than the PWLB making the financing of council housing more expensive. Chandler records that:

> To pay for housing, Chancellor of the Exchequer R. A. Butler allowed local authorities to borrow some of their funds banks or stock options on the grounds that borrowing from the private sector as opposed to the Public Works Loans Board (PWLB) would be more costly for local authorities and would reduce their enthusiasm for capital spending. (Chandler, 2007, p.185)

The next year, the subsidy from central government to local government to build general needs housing (non-specialist social housing) was abolished. Exchequer grants were only to be available for slum clearance and accommodation for the elderly. However, the general-needs subsidy was reintroduced in 1961, albeit based on a formula that favoured local authorities charging the highest rent. As local authority house building declined from 1954 to 1962, there was a growing emphasis on house improvement which was enabled by the 1949 Housing Act.

The two Labour Governments (1964-1970) were committed to a massive house building programme as set out in the 1965 White Paper, 'The Housing Programme 1965–70'. Unlike the earlier post-war Labour governments, the Wilson governments did not see council housing as the main solution to meeting housing need. As Short (1982, p.158) points out, council housing was seen by government as meeting exceptional needs with general need being met by the market. However, council house building began to recover until the financial crisis of 1967, at which point council house building was perceived by central government as being too expensive. The Housing Act, 1969, evidences a clear shift from construction to house improvement where local authorities would have an important role, but the emphasis was on private sector rehabilitation rather than municipal redevelopment.

The new Conservative Government (1970-1974) continued with the emphasis on the private sector and home improvement, resulting in a reduced role of council housing. The most dramatic event was the introduction of the 1972 Housing Finance Act, which took away councils' authority to set rent levels. The cause celebre at the time was the Derbyshire council of Clay Cross, which refused to carry out central government policy and increase council rents. Weightman (1976, p.653) notes that, rather than send in housing commissioners who would take over responsibility for raising the rents, the district auditor was instructed to carry

out an extraordinary audit, the result being that a shortfall of £6,985 was identified in lost rent and eleven councillors were surcharged and disqualified from political office.

6.4.1.6 Social Services

I have defined this function as covering children and adult social services. The involvement of local authorities in children's services was generally considered, as noted by Hill (1993, p.27), to be as a result of a number of child care scandals that took place during the war. As a result of these scandals, the Curtis Committee was set up in 1946 to investigate services for 'deprived and neglected children'. The Curtis Committee resulted in the Children Act, 1948, which created local authority children's services. This was a new responsibility for local authorities and the Act required that local authorities should carry out these new functions 'under the general guidance of the Secretary of State' (Deakin, 2007, p.206). The 'guidance' referred to in the Act came from the Home Office and was fairly extensive including specifying the structures of the new departments. Packman (1975, p.17), for example, notes how the Home Office vetoed the appointment of certain officers to the new children's department at Oxfordshire County Council. However, children's services were recognised as a growth area of local authorities and as Michael Hill records:

> Children's departments built up a body of social work expertise, and gradually extended their activities from work to deal with child-neglect and abuse and work with delinquent children. Two Children and Young Persons Acts, in 1963 and 1969, legitimized and encouraged these changes (Hill, 1993, p.36).

Along with the Children Act, the 1948 National Assistance Act resulted in the formation of a new set of arrangements for social care. Section 21 of the Act stated that it was the duty of every local authority:

> …… to provide residential accommodation for persons who by reason of age, infirmity or any other circumstances are in need of care and attention which is not otherwise available to them (HMG, 1948, Sct. 21).

Unlike health care, social care both for children and adults would be for local authorities to deliver as part of the new welfare state. Responsibilities for social care continued to grow and evolve during this period but so did the demand for these services. The Children and Young Persons Act, 1969, is such an example of increased responsibility under which, according to Hill (1993, p.1180), local authorities 'acquired increased responsibilities for the care of children brought before the courts for delinquent acts'. Social work as a profession flourished during this period, culminating in the creation of what Webb and Wistow (1987, p.47) called a 'united professional front' through the establishment of the Standing Conference of Organisations of Social Workers in 1963.

In 1965, the Seebohm Committee was established to consider serious concerns over the standards of children services. The committee published its report in 1968 and recommended that all personal social services should come under the responsibility of county and county borough councils and that they should be grouped in a single department. Legislation followed in 1970 with the Local Authority and Social Services Act, which resulted in structural change with the creation of the new local authority social services departments. It is difficult to ascertain if this particular piece of legislation actually affected the level of authority at the local level in terms of social services, but there is no clear evidence that it did. It certainly resulted in a significant expansion in the service both in terms of financial and human resources. The loss of community health care to the NHS, which came about as a result of the Act, has been noted above.

6.4.1.7 Education

Education, for the purpose of my research, covers the supervision and regulation of educational establishment, pre-school provision, junior and secondary education, further education and polytechnics. The 1944 Education Act established the framework for public sector education until 1988. Copus describes the powers and responsibilities given by this Act to local education authorities (LEAs) as epitomising the characteristics of sovereign councils:

> They appointed most teachers and determined and paid the salaries of all staff. They also decided what resources each school should be allowed, including numbers of staff, buildings, equipment and materials (Copus et al., 2017, p.73).

Interestingly, Copus reflects that the LEAs did not have close control over the curriculum; this was largely a matter for schools. However, control over education, generally, firmly rested with the LEA. The dominant issue in education during the period was comprehensive versus selective secondary education. This debate sheds light upon the change in central/local relations. Contrary to popular belief, the 1944 Education Act did not endorse selective 'tripartite' education (grammar, technical, secondary modern); rather, according to Crook (2002, p.248), it was left to the LEAs to decide how their secondary schools should be organised and to report their development plan to the Minister of Education. The first comprehensive schools were instigated by LEAs on their own volition and not at the instigation of central government and this freedom continued through the Conservative Governments (1951-1964), even though these governments were not supporters of comprehensive education. The then Minister of Education, Edward Boyle, described the government's position prior to 1963 as one of 'strict neutrality' (Crook, 2002, p.251).

The position of strict neutrality began to shift, although the move was initially very slow. Many writers, including Finch (1984, p.42), cite two circulars that demonstrate the change in

the attitude of central government. Circular 10/65 *requested* but did not *require* LEAs to submit plans for a comprehensive system of education to the Department of Education and Science. This position contrasts with Circular 4/74 which *required* LEAs to submit plans for reorganisation. While the change in emphasis between the two circulars marked a change in the relationship between central and local government, it did not bring about universal acquiescence among local authorities. Indeed, the latter circular was successfully challenged by Tameside LEA in the House of Lords.

Although the rhetoric between central and local government certainly became more confrontational between 1965 and 1974, it is difficult to conclude that during this period local authority control over education, (including structures, planning, support services and provision) was significantly compromised. However, a spark had been ignited that would result in major changes in the responsibility for school education during the period 1974-1997 and, indeed, beyond.

The 1944 Education Act gave LEAs responsibility to decide whether a child needed 'special educational treatment'. The 1970 Education (Handicapped Children) Act transferred the responsibility for educating 'mentally handicapped' children from the NHS to LEAs. Nursery education was provided through a mixed economy of LEA, voluntary and private provision.

6.4.1.8 Economic Development

In response to the 'Great Depression' of the 1930s, many local authorities became involved and supported 'development associations', which promoted the economic development of their areas. Critically, local authorities were not seen by central government or, indeed, by themselves as a key agency in restoring economic wellbeing at the local level. According to Chandler and Lawless (1985), it was development associations that took the lead role in promoting and addressing the economic downturn at the local level and not local authorities.

Commenting on the relationship between development associations and local authorities, they note that:

> The organisations were in many cases brought together through the initiative of local businessmen rather than local councillors, and in the case of the special areas designated by government, by the special commissioners. Local authorities were however invariably represented on the committees that controlled the development agencies although they did not always hold the majority of seats (Chandler and Lawless, 1985, p.12).

Between 1945 and the early 1970s, the focus of development was very much on housing; however, as Boddy and Fudge note, since the 1970s local authorities had become increasingly involved in economic development:

> As unemployment soared, provision of industrial sites and premises, advertising and promotion, and provision of loans and grants became an established part of main stream local government activity (Boddy and Fudge, 1984, p.160).

Intervention in the labour market by local authorities between 1945 and 1974 was limited (Bramley et al., 1978, p.8). Indeed, prior to 1963, training and skills development was perceived as a private sector responsibility primarily in the guise of apprenticeships. The 1963 Industrial Training Act led to the establishment of the Central Training Council (CTC) and industrial training boards (ITBs) for key industries followed. These new organisations comprised employers and trade unions but no representation from local authorities. The role of the CTC was to advise government and consult employers on the new training arrangements. According to Evans (1992, p.8), the role of the ITBs was to ensure an adequate supply of trained workers to improve the quality of training and to share the costs of training between employers more fairly. As a result of the Training Act 1973, the Manpower Services

Commission (MSC) was established, which included representation from local authorities. The role of the MSC is considered in the period 1974-1997 below.

Hague et al. (2011, p.112) note that, for most of this period, the emphasis was on the provision of hard infrastructure. This view is supported by Chandler and Lawless (1985, p.90), who note that this function expanded rapidly throughout the 1970s. It is not apparent that central government either approved or disapproved of such activity, at least in the generalities. Much of the activity was financed under Section 137 of the Local Government Act, 1972, which is considered in more detail below. The 1972 Act also allowed local authorities to form their own companies under Section 111.

6.4.1.9 Police

The provision of police services has been a responsibility of local government since Victorian times. Before 1964, democratic responsibility for policing rested with watch committees for the county boroughs and police committees for county council areas. The police and watch committees comprised two thirds councillors and one third magistrates. There is, however, some dispute over the level of authority exercised by councils regarding policing. From Chandler's (2009, p.42) perspective, it is 'one of the most transparent myths of British political practice is that the police are not a national force but under local control'. Such a conclusion is well justified by events starting in the first half of the Twentieth Century. Chief Constables, even before 1964, exercised considerable independence from local authorities, justified by the need to preserve political independence in the service of the law. In other words, police officers including Chief Constables served only the law - they were nobody's servant. This position was fully supported by central government. The legal position was a little different. In 1930, the contentious decision 'Fisher vs Oldham' declared that chief constables were the servant of the Crown, not the local authority. In any event, the police

were not local authority officers. Between 1945 and 1964 the Home Office began to intervene more and more in the running of the police services including the appointment of chief constables and policy formulation.

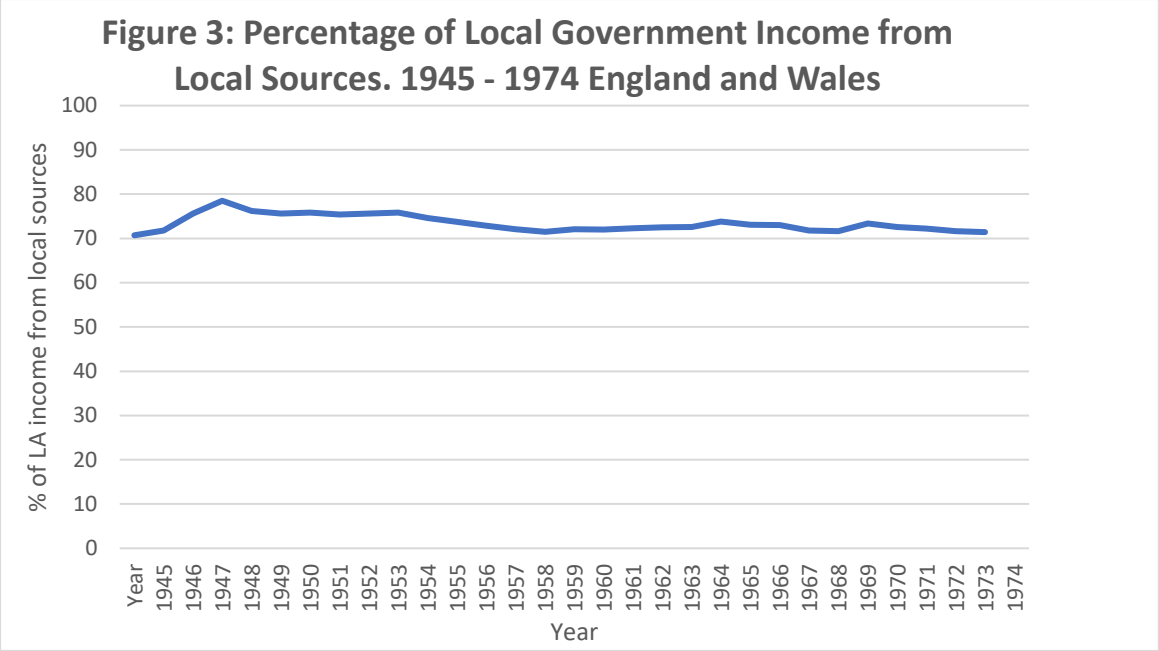
The 1964 Police Act abolished the County Borough police services and amalgamated them into county services 'overseen' by police committees which had limited responsibility for maintaining the police force and appointing chief constables. As Byrne (1994, p.85) notes, the role of Chief Constables was such that elected members were continually excluded from making decisions on issues that would impact on their areas as these were considered operational matters.

6.4.1.10 Fire Service

A national fire service had been established during the Second World War, but the Fire Service Act, 1947, returned the service to local authorities as fire authorities. The transfer back to local authorities included a requirement to apply national conditions and standards including pay. In contrast to other local authority functions, the nature and organisation of the fire service did not change significantly between 1945 and 1974. However, the number of fire services continued to decline as they were amalgamated to form bigger units.

6.4.2 Financial Autonomy

The changes in the functions of local authorities had a direct effect on local government finance. The loss of gas and electricity in 1947 amounted to 12.5% of total receipts (income) whereas the new functions were not largely income generating and required further resources. The amount of local income did not change significantly over the period but there was a continued, albeit slight decline from 1947 onwards as set out in Figure 3.



Source: 1945 – 1966 Second Abstract of British Historical Statistics. 1966 – 1974 British Historical Statistics. Compiled by the Author.

6.4.2.1 Setting the Base of Local Taxes

The Local Government Act, 1948, introduced the Exchequer Equalisation grant to take the place of the former block grant and in the course of making this change the government transferred the task of valuing property for rating purposes from local authorities to the Inland Revenue. This was a significant development since it transferred the setting of the local tax base from local control to the centre. As in all things associated with centralisation, there are always plausible reasons put forward. In this instance, Robson noted that central government was concerned that local government could manipulate the setting of the tax base to determine the level of central government grant:

> Equalisation grant gave the Exchequer a direct interest in the valuation of property for rating, since entitlement to grant depended on whether a local authority was or was not below the national average for the whole country as regards rateable value per head of its weighted population (Robson, 1966, p.17).

Richards (1975, pp.99-100), agrees with Robson, noting that the uniformity of valuation was ‘essential to ensure fairness in the distribution of the grant’. More colourfully, Aneurin Bevan noted:

> It’s more than human nature can stand to allow the local authorities themselves to determine the size of the spoon with which they will scoop up Exchequer money (cited in Smellie, 1968, p.133).

Related to the determination of the base of local taxes are the levels and types of de-rating (reducing or abolishing rates on certain properties) determined by central government. Before the Second World War, both industry and agriculture were de-rated, in part or in full. In 1957, shops and offices were de-rated by 20%. The Local Government Act, 1958, reduced the de-rating of industry from 75% to 50% and in 1961 the partial de-rating of industry, shops and offices ended.

6.4.2.2 Setting the Rate of Local Taxes

Richards (1988, p.25) notes that, ‘No tax has been more unpopular than the local rate’. The unpopularity of local rates tends to peak following revaluations which are required to fix the annual value of property for the purpose of rating. The revaluation of 1963 resulted in much higher local rates being charged which caused an outcry that needed to be addressed by the Conservative Government. Their response was to set up the Allen Committee, ‘To assess the impact of rates on households ….. with special regard to any circumstances likely to give rise to hardship’. The Committee concluded that the local rates system was highly regressive. This ‘official’ recognition led to direct action by the new Labour Government, but this action was not about controlling local rate setting but to provide financial support for the domestic rate payer. This support came in the form of general rate support for all rate payers and specific rate support for low earners.

6.4.2.3 Ring Fencing and Control of Government Grants

In 1945, nearly 80% of central government grant was ring fenced in the form of specific grants. The Local Government Act, 1958, introduced what is known as the General Grant, which replaced the old percentage grant (based on councils actual expenditure). One significant aspect of this new financial arrangement was the extension of central government control over financial sanction in the form of grant reduction if specific Ministries deemed a local authority was under performing. For some, this represented a significant increase in central government control over local government (Robson, 1966, p.48), but in many respects it was the continuation of the same levels of control operated in the 1930s, which allowed the Minister of Health, for example, to reduce grants if it was felt that the expenditure of a council was excessive. The difference was that the central government controls in the 1930s were seen as a temporary expedience deemed necessary to deal with the financial crisis. The 1958 Act introduced a new norm which, according to Robson (1966, p.49) resulted in the '…. subordination of local autonomy to the dictates of the central power'. For John (1990, p.2), the new Act represented a significant relaxation in central control, in that it allowed local authorities to allocate funds between services as they thought fit. Travers (1989, p.4) noted that: 'With the replacement of specific, percentage grants by a general grant in 1958, a major step was taken towards greater autonomy for local authorities'.

As a direct result of the new general grant, the level of ring fenced grants reduced to 30% in 1958 and by 1974 it was down to 20% (DETR, 1999, p.117). The Rate Support Grant (RSG) came into effect in April, 1967. Although Smellie (1968, p.139) notes that it, 'for the first time allowed the central government to influence the expenditure on all local authority services', for most commentators it represented a continuation of the general grant system, maintaining historically low levels of ring fencing.

6.4.2.4 Control Over Revenue and Capital Spend

Between 1945 and 1974, central government did not seek to directly control the spend of local authorities but, of course, the level of expenditure by local government was shaped by central government in terms of the level of central government grant and loan sanction. The Local Government (Financial Provisions) Act, 1963, allowed local authorities to spend a penny rate in any way they felt appropriate for the benefit of its area, provided that such activity was not subject to other statutory limitations. Similar provisions were brought in by the Local Government Act, 1972 (section 111) and the permitted rate was increased to two pence.

6.4.2.5 Freedom to Borrow

Throughout the period 1945-1974, local authorities had the 'freedom' to borrow for capital projects, but this was subject to ministerial approval. Before the Second World War, according to Richards (1975, p.87), the reason for this loan sanction was to ensure the loans and projects were financially sound. However, as Richards (1975, p.88) goes on to note, since the war the reasons for central control changed as it became a 'a vital part of the general supervision which the Government exercises over the national economy'. To achieve national financial objectives, the amount of finance available for loans was limited. In 1970 capital expenditure was reorganised into two types, namely key sector schemes (which covered education, housing, principal roads, police, health and social services, water supply and sewerage) and locally determined schemes. The level of central control over the two schemes varied. For key sector schemes specific consent was required for each project whereas for locally determined schemes a general loan sanction was given to qualifying local authorities to be used as they saw fit.

From 1945 to 1952, the source of almost all loans was the Public Works Loan Board (PWLB) which was a requirement of central government (apart from housing); however, in 1952 these restrictions were eased. At the Association of Municipal Corporations 1969 annual conference, Prime Minister Harold Wilson gave a speech which was remarkable both in content and sentiment. The speech epitomised the chasm between political rhetoric and the actuality. Wilson mentioned the need for a 'fresh attack on this problem of central financial control, so that we can reduce the number of points on which decisions are taken by ministers, even Parliament'. He went on to say 'We want to see more freedom for local authorities …….' (Wilson, 1971, p.702).

6.4.3 Operational Freedom

In terms of operational freedom, the position of local government overall by 1974 was not dramatically different than the situation in 1945, despite some quite significant interventions for a small number of individual councils.

6.4.3.1 Audits and Inspections

Central government has caused the establishment of inspecting authorities since at least the Nineteenth Century. Between 1945 and 1971, there were five areas of local government which were subject to inspections, reduced to four in 1971:

- HM Fire Service Inspectorate (HMFSI)
- HM Inspectorate of Constabulary (HMIC)
- HM Inspectorate (for education)
- Children's Inspectorate of the Home Office (until 1971)
- Social Work Division of the DHSS (until 1971) which was replaced by Social Work Service (1971–1985)

The HM Fire Service Inspectorate was established in 1947. According to Davis et al. (2001, p.6), the HMFSI was established after the fire service was denationalised, in order to provide the Home Secretary with information on how the fire authorities were carrying out their functions. The HMFSI, partly through the inspection process, offered advice and support to Fire Brigades. The County and Borough Police Act, 1856, provided for an annual inspection of police forces but up until 1964 they were not used as an opportunity for standardisation or central control. Raine, explained the arrangements thus:

> In some contrast with the contemporary situation, the early inspectors' findings seemed to invoke little apparent concern on the part of the Home Secretary and his undersecretaries at the Home Office. Here the prevailing view was of policing as a local government matter. As a result, little central effort was devoted to co-ordinating the inspectors' activities or to developing a national policy or setting policing standards (Raine, 2008, p.90).

This prevailing system began to change with the Police Act, 1964, which started a process of increasing centralisation of the inspection regime. School inspectors were first appointed under the provisions of the Factory Act, 1833, and by the Twentieth Century, the expectation was that every school should be inspected. However, this aspiration did not appear to have materialised and, as Martin (2008, p.53) notes, they had virtually ceased by the 1950s, 'with the government giving way to local provision which tended towards a collegiate approach of support for teachers'. This arrangement would continue until the 1980 Education Act.

The Social Work Service was formed in 1971 as a result of the amalgamation of the Children's Inspectorate of the Home Office and the Social Work Division of the DHSS. Legislation had developed during the first half of the Twentieth Century that allowed for the inspection of children's homes, nurseries, foster homes, nursing homes and residential homes. For children-related services the standard of inspection was very low and, as Johns

and Lock (2008, p.40) state, 'The baseline was minimally acceptable standards and the detection of shortfalls that constitute abuse or neglect'. The inspection of adult services between 1945 and 1974 was primarily carried out by local authorities.

6.4.3.2 Political Freedoms

Political freedoms cover the surcharging of councillors, levels of intervention by central government, central control over the internal organisation of local government, freedom of political expression by local councillors and external controls over members' conduct. Surcharges on individual councillors have existed since 1835 whereby councillors could be surcharged for carrying out expenditure that was either illegal or unreasonable. In 1967, the Maud report (Maud, 1967) recommended their abolition and, although this was not accepted, two significant change did occur under the Local Government Act, 1972, in that councillors could only be surcharged for illegal expenditure after this was decided by a court of law and the reasons for applying surcharging was changed from 'negligence and misconduct' to 'wilful misconduct'. According to Widdicombe (1986), there were 549 surcharging cases between 1945 and 1974, the most infamous being the 11 Clay Cross councillors who were surcharged £6,935 for protecting the submarket rents of their tenants.

External controls over councils' decision-making structures remained generally unchanged over this period. The way councils discharged their duties were governed by Section 15 of the Local Government Act, 1933, and later by Section 101-102 of the Local Government Act, 1972. External controls on individual councillors were very relaxed between 1945 and 1972. Qualification in terms of candidature were and, indeed, still are minimal covering essentially age and residence. However, there was/is a stipulation that an employee of the same local authority cannot be an elected member. Disqualification criteria included bankruptcy, surcharging or conviction for corrupt practices. As a result of the Local Government Act,

1972, councillors who had a financial interest in any contract or other matter coming before their council were required to disclose any interest and not vote or participate in any discussion.

6.4.3.3 Ultra – Vires and the General Power of Competence

The Maud Committee (Maud, 1967) recommended that local authorities should be given a general power of competence noting,

> *Ultra vires* as it operates at present has a deleterious effect on local government because of the narrowness of the legislation governing local authorities' activities. The specific nature of legislation discourages enterprise, handicaps development, robs the community of services which the local authority may render, and encourages too rigorous oversight by central government. It contributes excessive concern over legalities and fosters the ideas that the clerk should be a lawyer (Maud, 1967, para 283).

Despite the strong position taken by the committee on the value of introducing a general power of competence, the proposals were rejected by the government; however, a modest expansion in the scope of lawful activity (as compared with the provisions of the 1963 Local Government (Financial Provisions) Act) was introduced by section 111(1) of the Local Government Act 1972. As noted above the Local Government (Financial Provisions) Act, 1963, allowed local authorities to spend a penny rate in any way they felt appropriate and the Local Government Act, 1972, (section 137) increased the rate to two pence.

6.4.3.4 Local Appointments - Terms and Conditions

There has been a long tradition in British central/local relations that central government requires that local government appoint certain officers. According to Richards (1975, p.127), this requirement came about due to the reluctance of councils in the Nineteenth Century to

appoint certain officers, most notably in relation to health. Under the Local Government Act, 1933, local authorities in England were required to appoint to a number of specific posts. Under the 1972 Act, local authorities could appoint (with 10 exceptions) 'such offices as they think necessary'. The exceptions include police officers, members of fire services, chief education officers, chief finance officer and directors of social services. There was no requirement to appoint a chief executive, which is still the case today. Prior to the 1972 Act, chief executives and chief constables could not be dismissed without ministerial approval. After the Act, this protection only applied to chief constables. Between 1945 and 1974, local authorities could appoint staff on terms and conditions they deemed appropriate. In practice they tended to enter into joint negotiations through Whitley Councils, consisting of representatives of employers and employees.

6.5 Rupture 1974 – 1997

Concerns about local government by central government began to grow during the late 1960s and early 1970s, largely due to the variation in the standards of services, particularly housing and education and in the growing reliance on central government grants for the delivery of local services. Travers (1989, p.5) identified the period between 1975 and 1979 as being 'significantly different' typified by a trend towards 'more direct government involvement in local authority decision making'. Most scholars agree that the reason for this increasing intervention occurred because of the financial crisis caused by the oil price rises of 1973 and 1974. Inflation reached unprecedented levels and overall local authority expenditure was increasing dramatically with rate rises averaging 30 per cent in 1974/75. The effect of increased local government expenditure on rate payers was softened by increased central government subsidy which by 1975-76 amounted to 66.5 per cent of local authority income from taxation. (This figure is often erroneously reported as a percent of local authority

income.) The situation led the Secretary of State for the Environment, Anthony Crosland, in 1975 to declare at the Local Government Conference in Manchester, that 'the party is over'.

There are, however, other commentators who relate the increase in rates to other factors (although not exclusively) including local government reorganisation, the transfer of sewerage functions to the new Regional Water Authorities and an overall improvement in services. Whatever the reason or reasons for the financial situation of local authorities, it certainly increased the desire of central government to control local authority spending, putting it at the centre of central/local relations which according to John (1990, p.9) was the case from 1975 to 1986.

In a response to the worsening financial crisis in local government, central government set up a Committee of Inquiry under the chairmanship of Frank Layfield to 'Review the whole system of local government finance in England, Scotland and Wales, and to make recommendations' (Layfield, 1976). The recommendations of the Inquiry were not actioned by the Government. Despite the lack of action on the recommendation of the Layfield Committee the Labour Governments were successful in their attempt to reduce local authority expenditure. Travers (1989, p.6) records that between 1975/76 and 1977/78 local authority current expenditure in the UK fell by 1.1% and capital spending came down by 33%. A summary of the most significant government reports during this period is included in Table 11 below.

The approach of the incoming Conservative Government in 1979 was clearly set out in their manifesto and that was to cut public sector expenditure. However, as with the Coalition Government of 2010, expenditure for some parts of the public sector would be safeguarded and, in one instance (defence), would be increased, resulting in a disproportionate and heavy cut in central government financial support for local government. Having clearly set out the

priority to cut local government expenditure, it also felt the need to articulate its desire to reduce the number of individual controls over local government, boasting in its White Paper 'Central Government Controls over Local Authorities' (HMG, 1979) that some 300 controls would be abolished.

The Local Government Act, 1985 resulted in the abolition of the Greater London Council (GLC) and the metropolitan county councils, created in 1974. In the 1983 Conservative manifesto they were described as a 'wasteful and unnecessary tier of government' (Conservative Party, 1983, p.37). It is worth noting here, as it will not be addressed under the policy scope section below, that the 1985 Act was not a neutral act in terms of the overall level of councils' level of authority. John (1990, p.14) reminds us that not all of the functions of the GLC and metropolitan authorities were transferred to the boroughs, as the Secretary of State for the Environment was given a number of reserve powers over waste and the expenditure of the new joint boards.

In 1986, the Widdicombe Committee produced their report on The Conduct of Local Authority Business (Widdicombe, 1986). The report is important in at least three respects. Firstly, it led to a number of changes in legislation that reduced the political freedoms of local authorities which I examine below. Secondly, it marked, as Leach et al. (2018, p.38) note, a growing readiness of central government to 'involve itself in the internal workings of local authorities'. Finally, the report drew government attention to the changing and, indeed, threatened position of local government in terms of English democracy. David Widdicombe refers to the oft quoted statement included in the Redcliffe-Maude Report: 'Local government is more than the sum of the particular services provided. It is an essential part of English democratic government' (Redcliffe-Maud, 1969, p.146).

Widdicombe then goes on to reflect on the changed position of local government 19 years later:

> It might be argued now that the local government itself has become, or is in danger of becoming, less than the sum of its parts – i.e. that it lacks sufficient financial and political direction to reflect local choice, even in the basic statutory services which it delivers (Widdicombe, 1986, p.54).

The report is seemingly non-committal on whether these changes in circumstances are either good or bad, but it does urge central government to conclude on its acceptability. The changing nature of central/local relations and the levels of councils' authority between 1974 and 1997 is now considered in more detail and will respond to the question posed to central government by Widdicombe. A most significant event during the latter part of this period was the introduction of the community charge or poll tax in 1990. The community charge was a controversial replacement of domestic rates. It provided for a single flat-rate per-capita tax on every adult, at a rate set by the local authority. It is not clear, however, to what extent this particular local tax affected differential levels of authority between the central state and local government.

Table 11: Government Reports on Local Government 1974 – 1997			
Date	Title	Chair/ Committee/Dept	Purpose
1976	Report of the Royal Commission on Standards of Conduct in Public Life	Lord Salmon	To investigate standards in public life
1976	Local Government Finance.	Sir Frank Layfield	To review the whole system of local government finance
1977	Report of the Committee on the Remuneration of Councillors	Robinson	Members allowances
1983	Streamlining the Cities	White Paper	Abolition of GLC and Metropolitan Councils
1986	The Conduct of Local Authority Business	David Widdicombe	To make recommendations on the rights & responsibilities of elected members; the roles of members & officers; limits to discretionary spending.
1988	Community Care: Agenda for Action	Sir Roy Griffiths	Social Services
1993	Community Leadership and Representation		Internal management of local authorities
1995	First Report of the Committee on Standards in Public Life	Lord Nolan	Standards of conduct in public life
1995	Local Government Commission	Sir John Banham	To examine the structure of local authorities
1996	Second Local Government Commission		To further examine the structure of local government
1996	Select Committee on Relations Between Central & Local Government Rebuilding Trust	Lord Hunt.	To consider the relationship between central government and local authorities

Source: The Author

6.5.1 Policy Scope

The focus of changes in policy scope between 1974 and 1997 did not represent a simple continuation of the previous period. Whereas between 1945 and 1974 the focus of change was centred on the utilities, health and social services, the focus for the second period was on education, transport and housing. A summary of the changes in local government functions is included in Table 12 below.

Table 12: Summary of Changes in Local Government Functions 1974 - 1997

Function	Date of Implementation	Act or Report	Purpose
Transfer of Functions from Local Authorities			
Education	1980	Education Act 1980	Less LA control of governing bodies
	1986	Education Act 1986	Further limitation of LA involvement in governing bodies
	1988	School Standards Act 1988	Increased power for central intervention
	1988	Education Reform Act 1988	Removed power over the curriculum from LEAs
	1992	Further and Higher Education Act 1992	Removal of all further education colleges, including sixth form colleges, from local authority control
	1993	Education Act 1993	Provision for FAS to fund Schools in place of LEAs. Introduction of Grant Maintained Schools
Setting Rates		Rates Act 1984	Introduction of rate capping
Transport	1980	Transport Act 1980	Trial areas for de regulated public transport
	1982	Transport Act 1982	Increased central control over fare subsidies
	1985	Transport Act 1985	Abolition of bus licensing and prohibition on LA operation of public transport
	1986	Transport Act 1986	Subsidies of public transport made unlawful and bus routes deregulated
	1986	Airports Act 1986	LA airports to be run as companies
Water Supply	1983	Water Act 1983	Local Authorities lost representation on RWAs
Housing	1980	Housing Act 1980	'Right to Buy'
	1988	Housing Act 1988	LSVT
Homelessness	1977	Housing (Homeless Persons) Act	Increased central control of procedures
Planning	1980	Local Government and Planning Act 1980	Creation of Enterprise Zones and UDCs
Transfer of Functions to Local Authorities			
Housing Benefit	1982	The Social Security & Housing Benefit Act 1982	Local Authorities responsible for housing benefit
Social Care	1993	Caring for People White Paper and NHS and Community Care Act 1990	Transfer of care for the elderly
Planning	1979 &1986	Repeal of part of 1971 T&CP Act	Abolition of IDCs & suspension of ODPs and abolition of ODPs

Source: The Author

6.5.1.1 Utilities

As a result of the Water Act, 1983, local authorities lost representation on the Regional Water Authorities (RWAs). According to the Conservative Political Centre the reason for this action, as articulated by Bellairs (1985, p.29), was to address the fact that 'Excessively large membership of the Regional Water Authorities had led to a proliferation of bureaucracy which had inhibited efficiency and decision making'.

6.5.1.2 Transport

The first action to reduce local authority control over public transport and to introduce an increased element of competition, came in the form of the Transport Act, 1980. This particular piece of legislation gave the Secretary of State power to designate and regulate trial areas for competitive public transport. The Transport Act, 1982, required metropolitan authorities to set out annual programmes for fare subsidies so that, according to Rhodes (1984, p.276), central government could 'limit subsidies'. For the Conservative Political Centre the purpose of the legislation was less controlling; rather it was to clarify the law on transport subsidy (Bellairs, 1985, p.26). Local authority control over public transport was emasculated further by the 1985 Transport Act, which abolished the bus licensing system and made it unlawful for local authorities to directly operate bus transport undertakings. The 1986 Transport Act prohibited subsidies of public transport from the rates and ended the regulation of bus routes which was first established in the 1930s.

The 1986 Airports Act caused local authorities to lose an element of control over all but five airports which were to be run as companies with local authorities as the shareholders.

6.5.1.3 Planning

For Cullingworth and Nadin (2006, p.28), the theme of the Conservative Governments between 1979 and 1997 was a commitment to ensure that the planning system did not hold back enterprise. In order to facilitate this, the Government was prepared to by-pass local

authorities in order to encourage development in some depressed urban areas. The first example of this approach was the creation of twenty Enterprise Zones between 1981–1996, where controls on new employment generating development were relaxed (but not abolished) and tax incentives were given, including business rate holidays for which the local authority was compensated. The second example was the creation of Urban Development Corporations (UDCs) which took over the planning powers of local authorities within a specified area in order to encourage mostly private sector development. The UDCs, which were a number of separate ad hoc unelected Corporations, were assisted by major financial support from central government. Both examples were established under the Local Government Planning and Land Act, 1980. However, there were also some loosening of central control. The need to apply for ODPs was suspended in 1979 and abolished altogether in 1986 and IDCs were abolished in 1979.

Despite these examples (together with the introduction of more permissive planning guidance from the Government), the planning system as noted by Cullingworth and Nadin (2006, p.28) ‘in no sense was it dismantled , or even changed in any really significant way’. In many ways EZs and UDCs were no different than the New Towns in terms of loss of authority for local planning authorities.

The Planning and Compensation Act, 1991, resulted in three significant changes to the planning system:

- Confirmation of the plan led planning system
- District wide local plans were made mandatory
- The requirement for ministerial approval of structure plans was abolished (although the Secretary of State retained powers of intervention)

Carter and Winterflood, commenting on the development of the planning system over the 1990s, noted:

> Within the context of the national planning framework, local planning authorities have been given new freedoms to influence the nature of future development within their area via the development-plan led system. However, these new freedoms have been accompanied by an unprecedented growth in the development of national and regional planning guidance (Carter and Winterflood, 2000, p.135).

Wilson and Game (2011, p.172) make a similar observation when they note that while the many planning circulars *provide guidance* in reality, they *must* take their contents into account in preparing their development plans.

6.5.1.4 Health

If the previous epoch of central/local relations highlighted the loss of curative health from the suite of local government responsibilities, 1974-1997 was extremely significant in the reduction of responsibilities for public health. Instigated by the findings of the Seebohm committee, the local authority leadership role in public health that typified much of the previous period was replaced by a supportive role, with the NHS very much in the dominant position. As Berridge et al. (2006, p.xxi) note, 'The relocation of public health out of local government and into health services led to a period of demoralization, and reduced power and influence'.

In 1974, as a result of the National Health Service Reorganisation Act, the local authority ambulance service was transferred to the NHS in 1974.

Throughout this period, there was a continuation of the policy position proposed in the 1959 Mental Health Act to encourage community-based service provision and the integration of

hospital services with local authority services. The White Paper, *Better Services for the Mentally Ill* (DHSS, 1975) continued to advocate this approach. However, as Ham notes:

> In practice, public expenditure restrictions served to slow the development of these services, and the availability of comprehensive mental health care remained uneven. This again demonstrated the gap between the intentions of policy and implementation (Ham, 2009, p.116).

6.5.1.5 Housing

The 1980 Housing Act introduced a statutory right for the majority of council tenants to purchase their homes at a discounted rate known as the 'right to buy'. Section 23 of the Act contained considerable powers for the Secretary of State to intervene if any local authority appeared reluctant or slow to implement 'right to buy'. The provision within the Housing Act of 1980 which empowered the Secretary of State to take over selling council homes did not go unchallenged as in the action of Norwich City Council which was ultimately unsuccessful. The Court of Appeal did, however, describe Section 23 as draconian (Forrest and Murie, 1985, p.110).

The 1988 Housing Act introduced a new right for council house tenants to choose to transfer the housing stock out of local authority ownership (LSVT) and into the ownership of the non-profit housing association sector, funded and regulated by the Housing Corporation. The Local Government and Housing Act, 1989, prescribed a new statutory framework for housing finance. According to John (1990, p.7), the Labour Government,1974-1979, 'became concerned to define more clearly parts of the role and functions of local authorities'. An example of this desire to define operational matters includes the Housing (Homeless Persons) Act, 1977, which set out in detail the procedures to be operated by local authorities which had hitherto been decided by individual councils. The Act also provided local councils with a statutory duty to provide accommodation for homeless households.

6.5.1.6 Social Services

The NHS and Community Care Act, 1990, resulted in the Department for Social Security ceasing to be the source of funding for the care of people entering private and voluntary residential or nursing homes. In its place, local authorities became responsible for assessing the needs of individuals and purchasing the appropriate care from providers, which was previously undertaken through the social services system. Wistow et al. (1994, p.1) notes that such an event was remarkable as: 'It cut against the grain of policies which, for well over a decade, had sought to reduce the role of local authorities and to constrain their resource base'.

The NHS and Community Care Act, 1990, also required social services departments to become purchasers of private care for elderly people and, as Chandler (2007) stated, 'either from themselves or more preferably from the private sector'. The Act led to a dramatic increase in the number of privately-owned old people's homes and a reduction in such homes provided by local authorities. The reduction in the direct provision of 'care homes' does not necessarily mean a reduction in authority in terms of social care but central requirements to provide services in a certain way could be, albeit in a general sense. The transfer of funding from the Department for Social Security to local government could, however, be interpreted as an increase in authority for the local level.

It is interesting to note that the Directors of Social Services, in giving evidence to the House of Lords Select Committee on Relations Between Central and Local Government (1996, p.31), considered that personal social services was 'the only major expanding area of local government services'.

Following a major review of social care by Sir Roy Griffiths in 1993, the government adopted the 'Care in the Community' approach. Chandler summarises the new arrangements as follows:

> Local government is regarded as the lead agency for securing social welfare, but this must be achieved as far as possible by ensuring that those in need of assistance such as the elderly, the mentally ill or drug addicts and alcoholics are able to remain within the community in 'homely' surroundings (Chandler, 2009, p.39).

Local authorities took on new responsibilities as a result of the Social Security and Housing Benefit Act, 1982, when they were given responsibility for administering housing benefit. The new service was, however, highly centralised with only limited opportunity for local interpretation of what essentially was and is an agency service. Despite the dramatic changes in central/local relations during this period the relations between central and local government in terms of social services appears to have been maintained. Birrell, in commenting on the post Seebohm settlement, noted that:

> This model of a unified local authority social services department was to remain largely unchanged for 30 years and was to survive major policy changes in the social services in the 1990s (Birrell, 2006, p.140).

6.5.1.7 Education

In 1976, the Prime Minister James Callaghan gave a speech at Ruskin College, Oxford, which focussed, according to Forrester and Garratt (2016, p.13), on 'public concerns about falling standards, pupil dissatisfaction, the economic reliance of education and social failure; it brought education into the spotlight as an area for public debate '. From the mid-seventies onwards, central government took an increasing role in education. The first step by a Conservative Government involved reshaping the governing bodies of schools in order to reduce the control of local councils. The Education Act, 1980, gave new powers to the

Secretary of State to prescribe the composition of school governing bodies. The 1986 Education Act limited local government representation on school boards. The Act also gave further powers to parent governors, forbade 'political indoctrination' in schools and imposed upon education authorities the duty to consider political issues in a balanced way. Finally, the School Standards Act, 1988, gave the Secretary of State powers to take over failing schools.

The second step occurred when central government took direct control over what was taught in schools. The 1988 Education Reform Act described by Forrester and Garratt (2016, p.14) as 'unprecedented and far reaching', allowed the Secretary of State to prescribe a national curriculum and introduce a mandatory national system of pupil testing. According to Chandler:

> LEAs lost their power over the curriculum, their capacity to determine admissions policy for schools, their day-to-day controls over the management of schools and their capacity to determine a school's income (Chandler, 2007, p.258).

The 1988 Education Reform Act also required LEAs to pass on at least 85 per cent of their education budget to school governing bodies. Thirdly, the Government facilitated the creation of a new market for schools that could compete with local authority run schools in the shape of Grant Maintained schools. Under the Education Reform Act, parents could vote for their school to opt out of local authority control. Fourthly, the Government transferred responsibility for post 16 education. The 1992 Further and Higher Education Act removed all further education colleges, polytechnics, and sixth-form colleges from local government control. Finally, the Government sought to break the monopoly role of local education authorities in supporting schools. Chandler records:

> The 1993 Education Act created a Funding Agency for Schools (FAS) to act as the intermediary agency between the government and opted-out schools. The FAS could

> assume some LEA functions if more than 10 per cent of children in an LEA were attending opted-out schools and once 75 per cent of pupils had transferred, the FAS could assume all the responsibilities of the LEA (Chandler, 2007, p.268).

The mixed economy approach in the provision of nursery education continued through the second epoch reinforced by the findings of the 1990 Rumbold Report into the education of three and four year olds that concluded that nursery education should be delivered through a range of providers which, according to Palmer (2015, p.119), included playgroups, nurseries, childminders and nannies.

6.5.1.8 Economic Development

As noted above, the Manpower Services Commission (MSC) was established in 1974 under the provisions of the Employment and Training Act, 1973, with a brief to co-ordinate employment and training services. The MSC was managed by a ten-member board including two representatives from local authorities. Although the majority of training activities were managed and funded by the MSC a number of independent training schemes were run by local authorities. Chandler and Lawless writing in 1985 noted:

> Although for most authorities the greater proportion of resources allocated for training will continue to emerge from the MSC there are many new initiatives emanating from local government in which the Commission is either not involved at all or only partially (Chandler and Lawless, 1985, p.204).

In 1988, the MSC was abolished and its functions were taken over by the Department of Employment and the Training Commission, the latter organisation being replaced by Training and Enterprise Councils (TECs) in 1990. Although local authority Members were included on the local TEC boards, they could not represent their Councils and, as such; ‘they are not

directly accountable in any way through the local democratic process' (Haughton et al., 2008, p.91).

Hague et al. (2011, p.7) note that during this period the emphasis of local economic development shifted from the provision of hard infrastructure to the retention and nurturing of local business. The first statutory recognition of economic development came with the Local Government and Housing Act, 1989. With this recognition, however, came a number of restrictions including the maximum sum that could be spent on economic development to £10,000 a year (although there were no restrictions for urban programme areas or areas with above average unemployment) and restrictions on soft loans and banking and investment schemes.

6.5.1.9 Police

The 1985 Prosecution of Offenders Act established the Crown Prosecution Service resulting in local authorities losing their prosecution role. The Police and Magistrates Courts Act, 1994, resulted in the restructuring of police committees by reducing the number of local authority representation which, according to Chandler (2007, p.269), 'further pushed the police service along the road to being effectively a national rather than a local force' and, as Kingdom (1999, p.61) notes, 'heralded a clear shift of power from local government'.

6.5.1.10 Fire Services

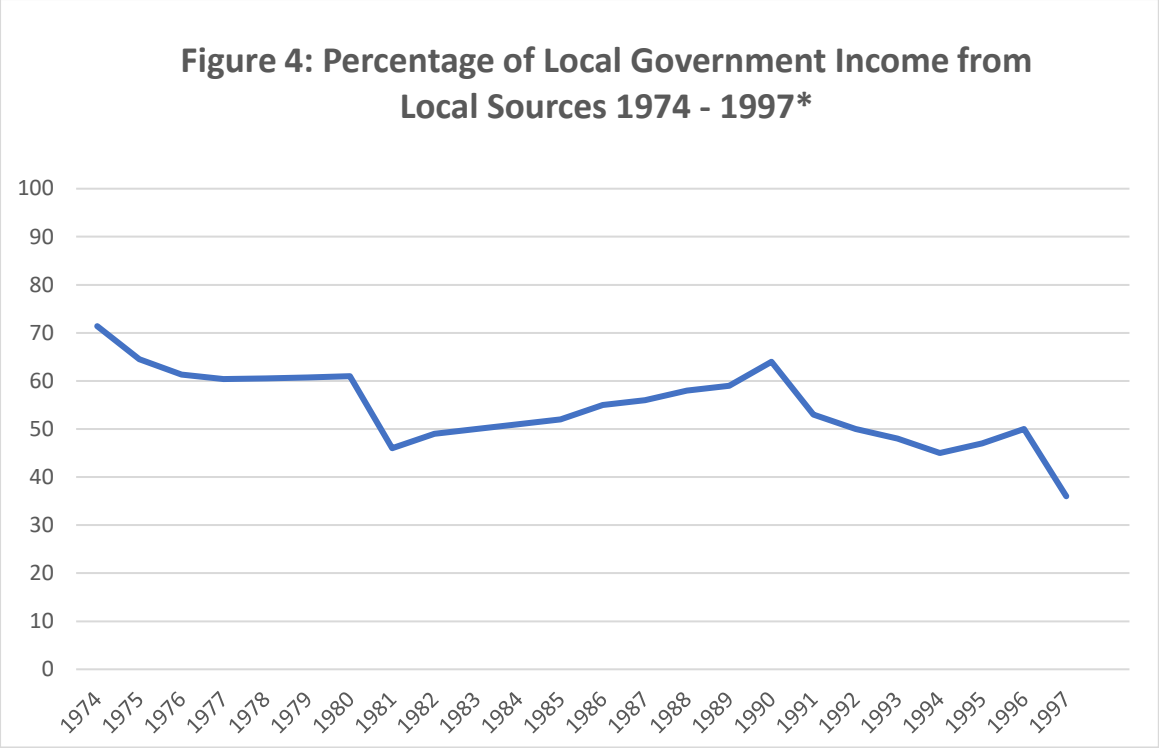
With the creation of the metropolitan counties in 1974, responsibility for fire services was transferred to them from the metropolitan boroughs. Following the abolition of the GLC in 1984, the London Fire Service was transferred to the Home Office and in 1986 was returned to local democratic control in the guise of the London Fire and Civil Defence Authority, which was made up of councillors appointed by the London borough councils. In

metropolitan counties, which were also abolished in 1984, the fire service was transferred to joint boards comprising of metropolitan borough councillors.

6.5.2 Financial Autonomy

In 1974, there was a major outburst of protest against rate increases as they reached levels previously unknown. In order to soften the impact of rate increases, Government continued to increase the central subsidy until by 1975/76 the highest ever level of Government grant was recorded. Between 1974 and 1982 the percentage of locally financed expenditure continued to fall (See Figure 4). The reduction in the amount of local income, and an increasing reliance on central government funding, had consequences as noted by the House of Lords:

> There are two important consequences of the low level of local spending funded from local tax. One is that it is difficult for local authorities to be accountable or autonomous when they have so little control over their revenue. The second is the "gearing effect"; in order to increase the amount of money available to spend by 1% a local authority has to raise Council Tax by a considerably greater percentage, 5%
>
> (House of Lords Select Committee on Relations Between Central and Local Government, 1996).



Source: 1974 – 1983 British Historical Statistics. 1983 – 1997 Local Government Financial Statistics England No 1 – 10. Compiled by the Author.

*England and Wales 1974 – 1980 and England 1981 - 1997

6.5.2.1 Setting the Base of Local Taxes

There were no changes to the setting of the local tax base over this period.

6.5.2.2 Setting the Rate of Local Taxes

The power to set supplementary rates was abolished by the 1980 Local Government Planning and Land Act; however, the most significant reduction in local government financial autonomy was the Rates Act, 1984, which from 1985 introduced selective rate capping. The Local Government Finance Act, 1988, removed local authority powers to set the rate for non-domestic rates and replaced it with the national non-domestic rate or uniform business rate. This came into effect in April 1990. Local authorities were, and indeed still are, entitled to a level of income from the national pool and of course still act as the billing authority.

6.5.2.3 Control Over Revenue and Capital Spend

The setting of targets for local government expenditure was introduced under the 1982 Local Government Finance Act. The Act replaced the need for loan sanction with an annual expenditure allocation for each council. Travers notes:

> The change from control over borrowing to expenditure control brought about by the Local government, Planning and Land Act had the effect of bringing all capital spending within the scope of control (Travers, 1986, p.142).

While, of course, local authorities had a choice to spend more than the expenditure allocation (known as the grant-related expenditure or GRE) they risked receiving less government grant proportional to the expenditure above GRE. The 1989 Local Government and Housing Act placed further capital funding restrictions on housing authorities. Bailey et al., commenting on the Act noted:

> The regime sought to tighten central control over aggregate capital spending by councils, limit the use of credit, prevent capitalisation of revenue expenditure by reinforcing the division between capital and revenue budgets and deal more explicitly with capital receipts (Bailey et al., 2012, p.212).

6.5.2.4 Ring Fencing of Government Grants

Cash limits for the Revenue Support Grant were introduced in 1976. On commenting on this period, Rhodes (1984, p.268) notes that: 'If one single theme permeates recent developments, it is the search by central government for more effective instruments of control (not influence) over the expenditure of local government'. Rhodes (1984, p.271) identified seven major changes in the grant system between 1979 and 1982. The Local Government, Planning and Land Act, 1980, (which came into force in 1981) loosened some central controls over

capital expenditure, in that Government permission was no longer required for specific projects.

6.5.2.5 Freedom to Borrow

As noted above, the 1980 Local Government Planning and Land Act resulted in a change in central government control over local authority expenditure from borrowing to expenditure. Specifically, loan sanction was not required as a result of this Act. However, the Local Government and Housing Act began to shift control from spending back to borrowing.

6.5.3 Operational Freedom

Between 1974 and 1997, there was a marked increase in the level of central government intervention to control and regulate the operational freedom of local authorities, the one exception being that there were no significant changes to the ultra-virus doctrine.

6.5.3.1 Audits and Inspections

During the 1974-1997 period of central/local relations, inspections and audits (enabling central government) oversight became more formal and more punitive:

> Over the period 1976-96 there were many signs of central government oversight of local authorities becoming increasingly formal in both senses, namely reliance on explicated roles and reliance on punitive sanctions (Hood et al., 2002, p.104).

Section 23 of the Local Government Act, 1974, provided for the establishment of a Commission for Local Administration in England commonly known as the local ombudsman. The local ombudsman is tasked to consider complaints from the public that they have suffered an injustice because of maladministration by a local authority. As a result of the 1982 Local Government Finance Act, local authorities could no longer appoint their own external auditors; rather, the appointment of auditors would be overseen by the newly formed

Audit Commission (1983) which not only had the traditional audit remit of examining the legality of expenditure, but also deciding whether expenditure secured value for money. Rhodes (1988, p.120) considered that there are three significant features of these changes:

- The Audit Commission could be given directions by the secretary of state
- The Commission appoints the auditors
- The Commission can make recommendations for local authorities to improve the economy, efficiency, and effectiveness of service provision

The Audit Commission was established under the Local Government Finance Act, 1982, the genesis of which Day and Klein (1990, p.14) claim was the Layfield (1976) Report. It is interesting to note that both the 1982 Act and the Audit Commission Code of Local Government Audit Practice for England and Wales put much emphasis on auditors examining management systems rather than challenging policy. The first attempt to introduce a non-financial corporate audit came with the Citizens Charter in 1991. Sanderson (2001) noted that new Audit Commission Performance Indicators (PIs) were imposed on local authorities and provided the first impetus for (corporate) evaluative systems:

> The first was the Citizens' Charter introduced by the Conservatives in 1991. The Charter embodied the 'consumerist' programme of promoting choice through privatization and contracting out, by allowing consumers to 'opt out' of local authority-provided services by providing information about services, standards and performance, and by consulting those affected by services (Sanderson, 2001, p.304).

The Office for Standards in Education (OFSTED) was established in 1992 when it replaced the Education Inspectorate with the first inspection taking place in 1993. OFSTED was initially governed by the 1992 Education Act and Local Government Act, 1999, which required the inspection of all schools every four-years. This requirement is in contrast with

the Inspectorate which was only required to inspect a sample of schools. By April,1997, Local Education Authorities were subject to inspection by OFSTED. The Social Services Inspectorate (SSI) was set up in 1985, replacing the DHSS's Social Work Service. Davis et al. (2001, p.12) noted that this change resulted in a more punitive inspection regime. However, there was a degree of shared authority between central and local government through their membership of the SSI Steering Group which was responsible for setting the work and inspection programme. There were no significant changes to the operations of the HMFSI and HMIC during this period. Under the 1997 Social Security Administration (Fraud) Act a new inspection regime was established in the guise of the Benefit Fraud Inspectorate (BFI).

6.5.3.2 Political Freedoms

Based on the recommendations of the Redcliffe-Maude Committee of Local Government Conduct (Redcliffe-Maud, 1969), a 'National Code of Local Government Conduct' was agreed by the local authority associations and central government in 1975. The code was entirely voluntary and was an agreed position between local and national politicians. Between 1974 and 1986, there were 24 cases of surcharging in England and Wales including 49 Liverpool councillors and 32 Lambeth councillors in 1985 both in connection with the rate-capping battles of the mid-1980s. 1986 represented a major shift in the control of political expression at the local level. The Education Act, 1986, forbade political indoctrination in schools and imposed a duty to consider political issues in a balanced way. In 1986, David Widdicombe was appointed as the Chair of an Inquiry to make recommendations on the rights and responsibilities of elected members, the roles of members and officers and limits to discretionary spending. As Chandler puts it:

> The immediate remit of the Inquiry was to provide evidence to enable the Government to prevent local authorities from politically challenging future

> governments through mass publicity campaigns. The Committee faithfully produced an interim report that criticised such practice (Chandler, 2007, p.255).

The Local Government Act, 1986, which followed on from the Widdicombe Report, effectively banned local authorities from campaigning against the Government. Section 2 of the Act prohibits the publication by a local authority of 'any material which, in whole or in part, appears to be designed to effect public support for a political party'. Under section 4 of the Act, local authorities are also required to have regard to the contents of any code of practice on publicity issued by the Secretary of State. In terms of party-political control over local councils by the centre, the Local Government Act resulted in a major reduction in local authority political freedoms and, as Chandler (2007, p.255) notes, it effectively prevented local councils from politically campaigning against the Government. Chandler goes on to comment that local government following the Act 'had no right to voice publicly opinions contrary to those of the State.'

The 1986 Act was augmented by the addition of restrictions on local authorities introduced by section 28 of the Local Government Act, 1988. Section 28 meant that local authorities could not intentionally promote or publish material with the intention of 'promoting homosexuality' (repealed in 2003). Section 15 of the Local Government and Housing Act, 1989, required council committees to comprise councillors from all political groups, in proportion to their strength on their council. The Royal Commission on Standards of Conduct in Public Life, which reported in 1976, recommended that councillors register their business interests and to expect local authorities to establish more effective procedures requiring councillors to reveal conflicts of interest.

In 1994, the UK government established a Committee on Standards in Public Life. The committee chair, Lord Nolan, was asked to make recommendations to improve standards of

behaviour in public life and he proposed seven principles that have subsequently been termed the ‘Nolan Principles’ and cover:

- Selflessness
- Integrity
- Objectivity
- Accountability
- Openness
- Honesty
- Leadership

6.5.3.3 Ultra-Vires and the General Power of Competence

There were no changes in the ultra-vires doctrine during the period; however, it is worth noting that the boundaries of this legal concept were continually being pushed by a number of local authorities particularly in relation to economic development. Chandler and Lawless (1985, p.230) note that the purpose of enterprise boards, for example, was to provide a ‘vehicle through which local authorities can fund local businesses whilst escaping the strictures of ultra vires’.

6.5.3.4 Local Appointments – Terms and Conditions

The Local Government, Planning and Land Act, 1980, introduced Compulsory Competitive Tendering (CCT) to a specified range of council services. The 1988 Local Government Act extended compulsory tendering to services including waste collection, street cleaning catering, leisure services, building grounds and vehicle maintenance. The 1988 Act contained some important additional restrictions on local authorities, the most relevant being that they could not consider the terms and conditions of the employees in awarding contracts. CCT

was further extended to ‘white collar workers’ with the 1992 Local Government Act, which covered council tax collection, technical services and the provision of IT.

In 1987, the Government took control of teachers’ pay and conditions when they dissolved the long-standing consultative arrangement. Paradoxically, individual local authorities continued to act as the employer. The 1989 Local Government and Housing Act placed political restrictions on certain paid council officers holding political posts. In November, 1980, a six percent pay cap was imposed by central government on all local government employees and was reduced to four per cent in 1982. There was no cap between 1986 and 1992 but it was reintroduced for 1992-1993.

6.6 Earned Autonomy and Modernisation 1997–2015

The third epoch begins in 1997, when Labour formed the new Labour Government under the premiership of Tony Blair. In 1998, two papers were published on local government. One was a White Paper entitled ‘Modern Local Government: In Touch with the People’ (HMG, 1998). The other was a booklet by Tony Blair entitled, ‘Leading the Way. A New Vision for Local Government’(IPPR, 1998). The White Paper set out a new role for local government by making it ‘outward looking and responsive’; it also identified the need to make major changes to the internal structures of local government. In his pamphlet, Blair (1998) sets out his belief that change was needed in the role of local government and, if the sector accepted this challenge, it would be rewarded:

> I want the message to local government to be loud and clear. A changing role is part of your heritage. The people’s needs require you to change again so that you can play your part in helping to modernise Britain and, in partnership with others, deliver the policies on which this government was elected. If you accept this challenge, you will

> not find us wanting. You can look forward to an enhanced role and new powers. Your contribution will be recognised. Your status enhanced. (Blair, 1998, p.22)

This 'vision' for local government was to be achieved through greater public involvement and participation, the creation of a strong and visible executive (including directly elected mayors), the development of the best value framework, new powers for partnership working and a new code of conduct for councillors. Blair also notes that his Government would be consulting on ways of increasing local government discretion over its own finance. Finally, Blair (1998, p.3) concludes that good performing councils should be 'given more freedom and powers to develop new initiatives to address local concerns'.

At the end of 2001, the White Paper, 'Strong Local Leadership-Quality Public Services' (DTLR, 2001) was published (See Table 13 of significant government reports into local government during this period). In essence the paper took forward the approach set out in the two earlier papers, together with specific proposals regarding the local government finance system. A feature of the Blair governments was the promotion of a regional orientation of sub-national politics. Although the attempt to bring democratically elected regional government to England failed, Regional Development Agencies were introduced. More successfully, democratic government was returned to London in 2000, although the new Greater London Authority as observed by Travers (2004) was not a:

> ….. powerful city government of the kind found in New York, Berlin or Tokyo. Indeed, city councils elsewhere in Britain still have far greater power than the London-wide government created in 2000. However, a new body had been invented (Travers, 2004, p.79).

New Labour were committed to a form of devolution for Scotland and Wales and saw through its manifesto promise with the establishment of the Scottish Parliament and Welsh

Assembly in 1999. In 2010, the Conservative/Liberal Coalition Government came into power with a programme, announcing that:

> We will promote decentralisation and democratic engagement, and we will end the era of top-down government by giving new powers to local councils, communities, neighbourhoods and individuals (HMG, 2010, p.11).

The promotion of decentralisation affected local government in five important areas:

- Reduction in the level of external inspection (See pp. 114-115)
- Integration of health and social care (See pp. 108-109)
- Promotion of local economic development (See p. 111)
- Localism
- English 'devolution'

The first three areas are considered below, as indicated. The Localism, Act, 2011 aimed to 'shift power from central governments towards local people' (DCLG, 2011b), but not necessarily local government. Indeed, Copus (2017, p.18) concluded that: 'The misleadingly named Localism Act did very little in challenging what was and still is a highly centralised Westminster government'. The matter of English 'devolution' is primarily concerned with the establishment of combined authorities, the impact of which, lies outside the scope of my research for the reasons outlined in my case study definition at 3.3.3.

Table 13: Government Reports on Local Government. 1997 – 2015			
Date	Title	Chair/ Committee/Dpt.	Purpose
1998	Modern Local Government: In Touch with the People	Government White Paper	Role and structure of local government
2000	Quality and Choice: A Decent Home for All	DETR Green Paper	Housing
2001	Strong Local Leadership-Quality Public Service	DETR White Paper	'A new vision' for local government
2006	All Our Futures. The challenges for local governance in 2015	ODPM Review	The future of local governance
2006	Strong and Prosperous Communities	DCLG White Paper	Localism
2007	Lyons Inquiry into Local Government	Sir Michael Lyons	To make recommendations on the reform of council tax; to consider the case for shifting the balance of funding; to consider the strategic role of local government, devolution and decentralisation and how pressure on local services could be better managed.
2008	Communities in Control: Real People, Real Power	DCLG White Paper	Communities and local councils
2012	No Stone Unturned: in Pursuit of Growth	Lord Heseltine	Economic Development
2014	Devolution in England: the case for local government	Community and Local Government Committee	Fiscal devolution for local government

Source: The Author

6.6.1 Policy Scope

Although the types of controls on the different functions of local government changed over this period, there is little evidence that fundamental changes occurred in the level of authority enjoyed by councils overall, the one exception being education. The lack of change is reflected in Table 14 below.

Table 14: Summary of Changes in Local Government Functions 1997 - 2015			
Function	Date of Implementation	Act or Report	Purpose
Transfer of Functions from Local Authorities			
Education	1997	Education Act 1997	Power to transfer LEA functions to alternative bodies.
	2000	Learning and Skills Act 2000	Introduced centrally funded city technology colleges and city academies
	2006	Education and Inspection Act 2006	Trust schools
	2007		Dedicated Schools Grant
Police	2012	Police Reform and Social Responsibility Act 2011	Abolished Police Authorities and created PCCs
Shared Functions			
Health	2012	The Health and Social Care Act 2012	Better integration of health and social care

Source: The Author

6.6.1.1 Utilities

During this period, no utilities were under the control of local authorities.

6.6.1.2 Transport

The 1997 Labour party manifesto promised an effective and integrated transport policy at national, regional and local level; however, such promises never really materialised. The role of local authorities continued from the previous period including support for non-commercial bus services, the promotion of public transport and school transport. The two exceptions were a significant transfer of 'A' roads that were previously centrally managed to local authorities. According to the DfT (2018) 2,100 miles of road were transferred between 1997 and 2017, mostly in 2001 and 2003. The second exception was the return to local democratic control of passenger transport to the London Mayor and London Assembly in 1999. By 2015, the bus service was largely owned by private companies, but they were regulated by the Mayor.

One curious and difficult to measure development in local authority involvement with local bus service, was the Transport Act, 2000. The Act allowed local authorities from 2001 to undertake franchising schemes, whereby councils and bus companies could enter into mutual agreements to provide services and infrastructure. The initiative was known as the Quality Partnership Scheme. On the face of it, this signalled at least a shared level of responsibility for bus regulation but, in reality, no local authority applied to operate this scheme. It is difficult to conclude that local authorities would not want to have more control over bus services in their area; however, the literature is sparse as to the reasons why. There was no enthusiasm for the scheme from councils although Butcher and Dempsey (2018, p.17) note that there were just too many 'hoops to jump through'.

6.6.1.3 Planning

The Planning and Compulsory Purchase Act, 2004, resulted in a major review of the planning system. Most significantly, under Part 1 of the Act was the enhancement of regional planning and the abolition of structure plans. Since the Planning and Compensation Act, 1991, regional planning had become more important. It was only the 2004 Act that put it on a statutory footing (Tromans et al., 2005, p.1). The new regional planning documents known as Regional Spatial Strategies (RSS) were prepared by the Regional Planning Bodies or Regional Assemblies and submitted to the Secretary of State for approval. The whole tier of regional planning was abolished in 2011 (Localism Act, 2011). With the abolition of structure plans and RSSs, the only sub-national planning framework was provided by unitary and district councils.

During this period, both Enterprise Zones and UDCs (1998), established under the Local Government Planning and Land Act, 1980, were ended. However, as part of the 2011 Budget, the Chancellor announced plans for 24 new Enterprise Zones, although they were radically

different from the EZs of the 1980s. Although the new EZs included provision of a simplified planning approach, the local planning authority was far more involved in the process and, in some instances, there were no changes in the level of local planning control. As a result of the 2008 Planning Act, the Infrastructure Planning Commission was established in 2009 to advise and determine certain major planning applications known as Nationally Significant Infrastructure Projects (NSIP) which were previously determined by local planning authorities. In 2012, the Planning Inspectorate became responsible for operating the planning process for NSIPs. Although the New Towns programme came to an end in the late 1970 it was not until 2009 that the Commission for the New Towns was abolished.

6.6.1.4 Health

Successive Governments have attempted to better integrate health and social care. The Health Act, 1999, allowed NHS bodies and local authorities to pool budgets. The Health and Social Care Act, 2012, established Health and Wellbeing Boards (HWB) in each 'upper tier' local authority area which became fully operational in 2013. The purpose of these new arrangements was to encourage integrated working. The Care Act, 2014, required local authorities to promote integration of health and care provision. The government's legislative ambition for better integration was supported by the Better Care Fund (BCF) which is a financial package first announced in the 2013 Spending Round. The BCF is a pooled budget which is intended to move resources out of hospitals and into social care and community services. The HWBs are required to produce plans for how this money will be spent. The plans require approval by NHS England.

From April 2013 the new structures for public health were in place:

- Local authorities' new role was to commission care and support services and to protect and improve health and wellbeing

- Local authorities employed Directors of Public Health
- Health and Wellbeing Boards were created to bring together local commissioners across the NHS, public health, social care, councillors, and representatives of Healthwatch.

The general consensus was that, as a result of the legislation outlined in the above paragraphs, public health returned to local government after 39 years. But it is clear that it is now very much a shared responsibility albeit with many local authorities taking a leadership role. According to Ham (2009, p.116) the 1998 White Paper, *Modernising Mental Health Services* (DHSS, 1998) a shared arrangement between local authorities and the NHS was inevitable and there was, for example, a continuing role of 'hospitals in the treatment of mental illness.'

6.6.1.5 Housing

In 2000, the Labour Government published their Green Paper, 'Quality and Choice: A Decent Home for All', which aimed to bring all social housing up to a decent standard by 2010. As local authorities were still prohibited from borrowing for housing, the question arose as to how councils could achieve this new standard. Wilson and Game (2011, p.146) postulate three options:

- Transfer their stock to a housing association or another registered social landlord
- Enter into a Private Finance Initiative (PFI)
- Establish an Arm's Length Management Organisation (ALMO)

Council house building did, however, continue throughout the rest of the period, albeit on a massively reduced scale.

6.6.1.6 Social Services

The incoming Labour Government of 1997 did not, initially at least, make any major changes in social services. Concerns about the funding of services for elderly people was evident with the establishment of a Royal Commission in 1997 to investigate ways to fund long term care. The other major preoccupation of the new Government was the better integration of social services with health services and indeed other organisations. This concern was not new, but it became the major policy objective of central government in terms of social care. In the white paper, 'Modernising Social Services', DoH (1998) the Government clearly set out the desirability of removing the 'Berlin Wall' between the NHS and local authorities, but as Wanless notes:

> '……. did not signal a major structural reorganisation that would have rebuilt the architecture of the two services and removed the boundary which has often proved problematic. This radical solution was rejected over concerns that it would merely generate new service boundaries, divert management attention and cause destabilisation. Rather there was to be a new spirit of flexible partnership working.' (Wanless, 2006, p.17)

There followed a series of White Papers and new statutes that encouraged and facilitated, but did not require, the integration of particularly adult social services and the NHS. The theme of integration continued into the 2010 Coalition Government and, in 2014, the government introduced a statutory requirement for local authorities to promote the integration of health and care provision in the form of The Care Act, 2014.

Children services were reviewed following a number of high-profile child abuse cases which resulted in the 2004 Children Act. The Act required local authorities to merge children social services with education services under the leadership of a director of children's services.

Section 28 of the Act requires various organisations, including local authorities, to ensure their functions are discharged with reference to the need to safeguard and promote the welfare of children; however, this duty did not give any organisation any new function or over-ride their existing functions. From 2008, children trusts were developed which combined the local authority functions with health authorities and voluntary agencies, but again existing responsibilities were largely retained.

After 2011 urban riots, the Troubled Families Programme (TFP) was launched in order to 'turn around' the lives of the 120,000 families. According to Crossley (2016), responsibility for TFP lay 'firmly with central government'. However, the programme was essentially delivered by local authorities on a 'Payment by Results' basis, which epitomises the agency model as explored by Rhodes (1981) and, while financial rewards were earned by local authorities, there was little autonomy.

6.6.1.7 Education

Education Action Zones were established in 1998 which assumed some of the roles of LEAs. In March, 2000, City Academies were announced which are state funded schools but independent from LEA control. By March, 2012, there were 1,635 academies in England. By 2015, 22% of all maintained schools were academies as set out in Table 15 below.

Table 15: Percentage of Academies in England 2003-2015			
	% Primary Schools	% Secondary Schools	% of all Schools
2003	0	0	0
2004	0	0	0
2005	0	0	0
2006	0	1	0
2007	0	1	0
2008	0	2	0
2009	0	4	1
2010	0	6	1
2011	0	11	2
2012	2	36	7
2013	6	50	13
2014	11	57	18
2015	15	61	22

Source: National Audit Office analysis of Department for Education data 2018, Compiled by the Author.

In 2003, the Building Schools for the Future initiative was announced by the government. In 2007, the Dedicated Schools Grant (DSG) ring fenced central government financial support for schools mandating local education authorities to pass budgets to schools in their area. The Academies Act, 2010, saw councils give up control over who builds new schools; however, they were, and indeed still are, responsible for ensuring sufficient school places are available in their area.

Notwithstanding the introduction of a number of initiatives to 'preclude social exclusion by early intervention policies '(Forrester and Garratt, 2016) by the Labour Governments between 1997 and 2010, the mixed economy of nursery education continued throughout this epoch.

6.6.1.8 Economic Development

Labour's 1997 manifesto promised the establishment of one-stop Regional Development Agencies (RDAs) for the English regions which were duly established in 1999 (and for London in 2000). Their role was to co-ordinate regional economic development, help small

business and facilitate inward investment. Each RDA was run by a 15-person board, appointed by the Government but including four local government representatives. In order to provide an element of local democratic accountability, the RDA boards were shadowed by Regional Chambers which eventually became known as Regional Assemblies. They comprised councillors, business and trade union representatives and other regional interest groups, such as environmental organisations. By 2007, the Government, in its review of sub-national economic development and regeneration, (HMG, 2007) encouraged RDAs to delegate more spending responsibilities to local government.

In June, 2010, the Coalition Government announced the closure of all the RDAs and assemblies, which were eventually abolished on the 31st March, 2012. In place of the RDAs, the Government 'established' 39 Local Enterprise Partnerships (LEPs) with the intention according to the National Audit Office (2016, p.3), of creating 'strategic partnerships that are not resource-intensive to run, with delivery of growth programmes implemented through partners, supported by the private sector'.

LEPs were established as locally derived business led partnerships between the private and public sector that it was hoped would drive economic growth. Their most remarkable characteristics were low administrative costs and the low level of central government direction. The result of these two characteristic resulted in a high level of involvement and, perhaps, even direction by 'upper tier' local authorities. The lack of administrative investment in the LEPs resulted in many local authorities filling the void. Although local authority involvement in 'running' the LEPs was not necessarily advocated by central government, councils are seen to have specific role in areas such as probity and accountability was. A good example of this is the role of local authority Section 151 Officers, (who are responsible for the proper administration of councils' financial affairs) are required to 'provide reassurance on the activity of the LEP'. (DCLG, 2017, p.10)

6.6.1.9 Police

Dissatisfaction with police authorities had become widespread amongst central government politicians and chief constables. (Caless, 2011, p.140) . The 2010 Coalition Government committed itself to reforming the police service stating in the Coalition agreement:

> The Government believes that we need radical action to reform our criminal justice system. We need police forces that have greater freedom from Ministerial control and are better able to deal with the crime and anti-social behaviour that blights people's lives, but which are much more accountable to the public they serve. (HMG, 2010, p.13)

In fulfilment of this pledge, the Police Reform and Social Responsibility Act, 2011, was passed which abolished police authorities and replaced them with directly elected Police and Crime Commissioners (PCCs) and Police and Crime Panels drawn from local councillors. The new arrangements which came into force in November, 2012, were not met with universal approval. The Stevens Commission (Lord Stevens, 2013), which was established by the Labour Party in 2013 concluded that:

> The Commission therefore believes that the PCC model is systemically flawed as a method of democratic governance and should be discontinued in its present form at the end of the term of office of the 41 serving PCCs. (Lord Stevens, 2013, p.79)

However, they have become a firmly established part of the local governance landscape since, despite low electoral turn outs.

6.6.1.10 Fire Service

Unlike many other areas of the public sector, the fire service had not been subject to many legislative changes since the Second World War. It was not until 2004 that any significant

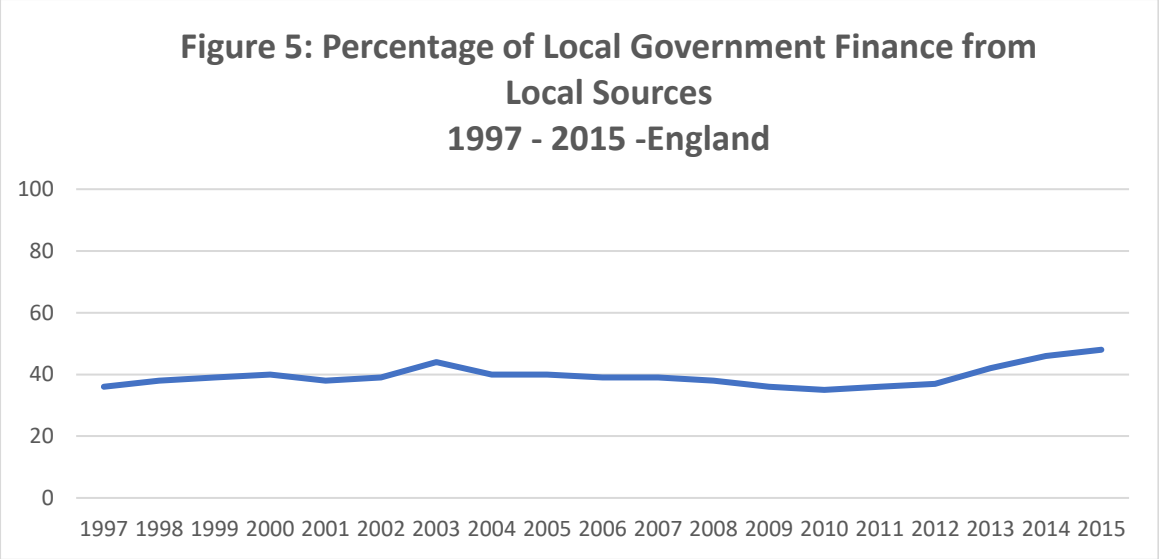
changes occurred when the Fire and Rescue Services Act, 2004, recognised the enlarged scope of the service especially concerning fire prevention rescue and emergency planning. Wilson and Game (2011) in commenting on the new Act noted:

> More generally, it set a legislative framework in which fire authorities could be more proactive, work more closely with other bodies, and focus on responsibilities scarcely envisaged in 1947: rescue from road traffic accidents, train and aircraft crashes, and dealing with chemical spillages, and environmental and terrorist emergencies. (Wilson and Game, 2011, pp.138-139)

In 2000, with the establishment of the Greater London Authority, and the creation of the directly elected Mayor, the London Fire Service returned to local democratic control. Since 2004, the role and composition of fire authorities has remained largely unchanged although there have been some mergers, shared service arrangements and much talk about service regionalisation.

6.6.2 Financial Autonomy

The control of local tax setting continued from the previous period and represented the most important control on financial autonomy; however, it was the introduction of the austerity budgets by the coalition Government in 2010 that had the most dramatic effect on local government. The relative low level of locally sourced finance continued until 2010 when it began to rise as central government support began to decline. (see Fig. 5 below)



Source: Local Government Finance Statistics England No 9 – 26. Compiled by the Author.

6.6.2.1 Setting the Base of Local Taxes

There were little changes to the setting of the local tax base over this period apart from councils being allowed to increase local taxation on long term empty properties under the Local Government Finance Act, 2012.

6.6.2.2 Setting the Rate of Local Taxes

The Local Government Act, 1999, brought about universal capping (at least for the time being) but it also included reserve powers, which gave the Secretary of State powers to require individual councils to reduce their budgets over a number of years. The reserve powers were considered particularly useful for central government because, as Peele (2003, p.218) notes, government can order cuts to take place in the following year as well as the current one. The Act also modified the system to allow Government to take account of spending patterns over time which, as Chandler (2007, p.294) notes, ‘despite warnings to some local authorities, no capping orders were introduced during the first Blair Government’.

There was a commitment in the Labour manifesto to set local business rates locally but only after consulting with local businesses. The closest the Labour Government came to honour this manifesto commitment came with the establishment of Business Improvement Districts (BIDs) which were proposed under the Local Government Act of 2003. The Act provided the legal framework for local businesses within a defined geographical area to agree to pay a supplemental levy on top of normal business rates. It was for local businesses to decide this increase, not the local authority.

Towards the end of this period, there were also developments that allowed local authorities to set a higher local tax on specific types of properties. Section 12(2) of the Local Government Finance Act, 2012, allows local authorities to set a council tax for long-term empty properties of up to 150 per cent of the normal liability. This provision, has been more recently extended to address the issue of second homes.

6.6.2.3 Control Over Revenue and Capital Spend

The 1999 Act also applied sanctions over the total budgets of local authorities. The reserve powers under the Local Government Act, 1999, also applied to levels of overall budget.

6.6.2.4 Ring Fencing of Government Grants

The DTLR report, *Strong Local Leadership: Quality Public Services* (DTLR, 2001, p.71) noted that the percentage of ring fenced grant increased from 5 per cent in 1997 to 12 per cent in 2001/2002 and was planned to reach 15 per cent by 2004 and expressed concern about the increase in the level of ring fencing and the desirability of reducing it. The Local Government Act, 2003, introduced a wide-ranging grant power which enabled any Minister to make a grant for any purpose, capital or revenue, to any local authority with Treasury consent. The new arrangements were ‘designed to allow authorities more flexibility in the use

of resources than some existing specific powers, which constrain their use. It is, accordingly, a useful tool in delivering funds to authorities through the Single Pot' (Capaldi, 2006, p.225).

In terms of education, the Education Act, 2002, provided a new level of control over the distribution of government grant by the Secretary of State whereby he or she could give grants 'on such terms as the Secretary of State considers appropriate'. In addition, the Secretary of State was given the power to set a minimum budget for every school in England. Capaldi (2006, p.486) notes that the LGA and others had serious concerns over 'the interventionist theme' running through the 2002 Act but, despite these concerns, the ring fencing of school budgets was partially implemented in 2004 and fully introduced the next year. Although there have been major changes in the organisation and provision of education since the 2005, the basic reality remains that, with some minor exceptions, grant funding from central government to local areas was capped by 2005 and has remained so ever since. Housing finance remained almost entirely ring fenced throughout this period in accordance with the 1989 Act.

6.6.2.5 Freedom to Borrow

The Local Government Act, 2003, introduced the Prudential Borrowing Framework (PBF) which came into effect in 2004. Bailey et al. concluded that the new Act granted:

> UK local authorities a significant degree of freedom and flexibility to themselves to determine their capital expenditures, provided that they meet requirements for prudent management of their financial affairs. This follows decades of very strong UK central government control of local government borrowing. (Bailey et al., 2012, p.211)

It should be noted that Section 4 of the Act provides for a reserve power that allows central government to impose limits on local authority borrowing in the national interest.

6.6.3 Operational Freedom

The period 1997-2015 witnessed some major changes in the levels of local authorities' operational freedom although the emphasis of the changes varied throughout the period. During the Labour Governments (1997-2010), there was a notable increase in the levels of audits and inspections; however, this was almost totally reversed during the Coalition Government of 2010-2015. A far more mixed picture is evident in terms of political freedoms. One area that demonstrates a consistent approach for all governments during this period is the introduction and strengthening of the general power of competence enjoyed by local authorities.

6.6.3.1 Audits and Inspections

The 1999 Local Government Act abolished CCT and, in its place, came Best Value. The Best Value regime required local authorities to produce a corporate strategy and to review all their services over a five-year period. Services were subject to inspection by the Audit Commission and the Act allowed for direct intervention where local authorities were failing to deliver adequate services. It is easy to look at the Best Value approach as an innovative, non-market alternative to CCT, but it was very much a creature of its time, perhaps the inevitable manifestation in terms of central/local relations of the all persuasive concept of New Public Management (NPM). But the imposition of NPM by the centre on local government reflected not only the global drive for quality management in public sector management but a confirmation of the previous central government attitude that local government was an agent of the central administration. Peele (2003, p.219) noted that the new inspection and audit regimes represented an 'ambitious and unprecedented attempt to reshape' local government. While the Citizens' Charter was the first attempt to introduce a non-financial audit of local government by the centre, Best Value represented an altogether

different level of intervention. As Davis et al. (2001, p.4) state, 'It introduces, for the first time, comprehensive inspection of all local government functions'.

In order to create a more comprehensive assessment of the performance of local authorities, a new framework was introduced in 2002 (2003 for District Councils), Comprehensive Performance Assessment (CPA). Davis et al. note:

> There has been a shift away from an emphasis on individual services and Best Value reviews, which were treated almost in isolation towards a much greater focus on the improvement of the authority as a whole (Davis et al., 2004, p.39).

The origins of this new inspection regime can be found in the 2001 White paper, 'Strong Local Leadership-Quality Public Services' DTLR (2001). Lowndes (2010, p.135) notes that the 'Secretary of State, Stephen Byers, told a press conference that it 'reverses the centralising trend of the last 20 years'. However, Lowndes goes on to state:

> Another suggestion is that the 'schizophrenia' and mixed messages that characterise the White Paper reveal the very real tension existing between different strands of civil servant and political opinion and reflect a drafting and negotiating process that has sought to satisfy different interest. (Lowndes, 2010, p.142)

In 2009, CPA was replaced with Comprehensive Area Assessment (CAA) but there is little evidence that this altered the level of authority enjoyed by local government as compared with CPA. CAA was abolished in 2010 and no new central inspection regime has been imposed, rather a voluntary peer review system is now in place organised by the LGA. In 2010, the Secretary of State at the DCLG announced that the Audit Commission would be abolished and following the passing of the Local Audit and Accountability Act, 2014, the Commission ceased operating in March 2015.

OFSTED continued its operations in largely the same way as the previous period as did the HMIC. The HMFSI was dissolved in 2004 and replaced by the Audit Commission, which adopted its familiar policing typology for inspections. In 2010, with the abolition of the Audit Commission, the fire and rescue sector introduced a sector-led performance improvement and assurance approach. As a result of the Health and Social Care (Community Health and Standards) Act, 2003, the SSI was abolished and replaced by the Commission for Social Care Inspection as of 2004.

6.6.3.2 Political Freedoms

The Local Government Act, 1999, introduced a new set of comprehensive powers that enabled the Secretary of State to intervene to ensure best value as follows:

> (a) that a specified function of the authority shall be exercised by the Secretary of State or a person nominated by him for a period specified in the direction or for so long as the Secretary of State considers appropriate (HMG, 1988, Sct. 15(6)).

At the time it was generally recognised that the Act gave considerable new powers to central government to intervene and indeed interfere in the running of local government. Vincent-Jones notes:

> The Government's response to obvious objections to the breath and potential reach of these default powers has been to acknowledge that significant new powers are being taken, but to give assurances about how they will be exercised. (Vincent-Jones, 2000, p.91)

A combination of Ministerial assurances, the extensive requirement for consultation which is contained in the Act and the apparent desire to gain a consensus in the case of any intervention, appeared to have prevented any significant opposition from local government, although the Conservative opposition in Parliament maintained their concerns. Between 1999

and 2015, there have been seven interventions under section 15 of the Act. The level of intervention can best be described as restrained, which reflects the approach and attitude of the Government when the Act was first introduced. The fact that the provisions of Section 15 of the Act have been used in a restrained way does not, however, set aside the concerns raised by Vincent-Jones:

> Even if the powers remain as a background threat and are relatively little used in practice, however, the really contentious issue requiring further public debate concerns their legitimacy, and more generally the legitimacy of the present balance of power in the relationship between central and local government (Vincent-Jones, 2000, p.103).

Under the Local Government Act, 2000, the surcharge on individual councillors was abolished. The 2000 Act also abolished (in most areas) the long-standing committee system representing a significant involvement of central government in the organisation of the structures of local decision making. The Act introduced four governance options for councils:

- Leader and cabinet
- Elected mayor
- Elected mayor with council manager (this option was abolished by the Local Government and Public Involvement in Health Act, 2007)
- Streamlined committee system. (This 'fourth option' was normally open to councils with a population less than 85,000)

The Act also introduced a requirement that all authorities should establish one or more scrutiny committees.

The Local Government Act 2003 repealed Section 28 of the Local Government Act 1988.

As heralded by the Conservative Party's Green Paper *Control Shift Returning Power to Local Communities*, (Conservative Party, 2009), the Conservative-led coalition government restored, as an option, the committee system through the provisions of the Localism Act, 2011. The Coalition Government required local authorities to publish a range of data and information about their organisation including every item of expenditure over £500 and the salary of the chief executives. However Lowndes and Pratchett (2012, p.28) note, it will not necessarily lead to more 'efficient or responsive public services'.

In 2011, the DCLG issued circular 01/2011, the Code of Recommended Practice on Local Authority Publicity which states:

> Local authorities should not publish or incur expenditure in commissioning in hard copy or on any website, newsletters, newssheets, or similar communications which seek to emulate commercial newspapers in style or content. Where local authorities do commission or publish newsletters, newssheets, or similar communications, they should not issue more frequently than quarterly, apart from parish councils which should not issue them more frequently than monthly. Such communications should not include material other than information for the public about the business, services and amenities of the council or other local service providers (DCLG, 2011a, para 28).

The code, which was later strengthened by the Local Audit Accountability Act, 2014, was vigorously promoted by Eric Pickles, the DCLG Secretary of State in the coalition government; however, more recently, sanctions against councils that have breached the code have been less enthusiastically pursued. According to the coalition government the reason for the media restrictions on local government was to protect the viability of local newspapers.

The Local Government Act, 2000, established the Standards Boards for England with the remit to promote high levels of ethical standards in local government. In 2001, a mandatory 'Model

Code of Conduct' for councillors was developed. The Standards Board represented a new level of control over the conduct of councillors and was particularly resented by Conservative councillors. In the Conservative 'Green Paper', it was noted that:

> Although doubtless created with the best of intentions, the Standards Board has become a discredited and unpopular institution, successful only in undermining public confidence in local government…. (Conservative Party, 2009, para 3.4).

The Standards Board was abolished in 2012 as a result of the 2011 Localism Act. Prior to its abolition, responsibility to investigate complaints of breaches of the code of conduct was transferred from the Standards Board to local authorities. Bailey and Elliott, conclude that:

> This can be presented as an increase in local autonomy. In one sense it is, but the policing of what is in effect a nationally prescribed code is incidental to the main business of local authorities. (Bailey and Elliott, 2009, pp.466-467)

Their point is well made but it does give credence to the view that the activities of the Standards Board is a relevant consideration in the evaluation of levels of authority for local government.

6.6.3.3 Ultra-Vires and the General Power of Competence

The Local Government Act, 2000, introduced the promotion of 'well-being' to local government. Section 2(1) of the Act allows every local authority to do anything which they consider is likely to achieve any one or more of the following objects:

a. The promotion or improvement of the economic well-being of their area
b. The promotion or improvement of the social well-being of their area, and
c. The promotion or improvement of the environmental well-being of their area

The Localism Act, 2011, replaced the well-being powers with a general power of competence, which allowed local authorities to do 'anything that individuals generally may do'. It was brought into force for local authorities on 18th February, 2012.

6.6.3.4 Local Appointments – Terms and Conditions

Between 1997 and 2009, there was no explicit central government pay policy on local government pay. In June, 2010, the Coalition Government announced an emergency budget which included a two year pay freeze for all public-sector workers earning more than £21,000. The Autumn Statement, 2011, included a provision that public sector pay increases would be capped at 1 per cent up until 2013. This cap was extended by the 2013 budget through to 2016. The Local Government Act, 1999, abolished CCT.

6.7 Conclusions

Chapter 6 sets out the details of the case study for the research, as outlined in the Thesis Schema (Figure 1, p.48). This essential stage makes possible the selection of relevant domains and measures for assessing change in local authority in England between 1945 and 2015, as explored in the next chapter. The events detailed in this chapter also enable the operationalisation of my measures as set out in Chapter 8. The literature on English and UK central/local relations is dominated by concerns about finance, functions, central government interference in the affairs of local government and structures. The first three concerns reflect the three domains identified in Chapter 5.

The three epochs of central/local relations clearly demonstrate the changing emphasis in terms of policy scope, financial autonomy and operational freedom; however, it is not the case that changes in a single domain typifies a particular period. The first period was dominated by changes in policy scope but there was no single direction of change. The dramatic loss of functions such as the utilities and curative health was compensated to an

extent by the expansion of social services and planning. Between 1974 and 1997, dramatic developments occurred across all thee domains resulting in a serious reduction in the authority of local councils. The final epoch was both complex and contradictory. Apart from education, policy scope did not change dramatically, neither did financial autonomy. However, operational freedom suffered during the initial years of this period, but it ended stronger than ever before. This chapter has allowed me to carefully consider which of the 28 measures identified in Chapter 5 are relevant to the English context between 1945 and 2015, which is considered in the next chapter.

CHAPTER SEVEN: SELECTION OF DOMAINS AND MEASURES

7.1 Introduction

The aim of Chapter 7 is to identify a number of domains and a selection of measures (from among those considered in Chapter 5) that are relevant to a unitary system of government, relevant to the concept of authority and relevant to the experience of central/local relations in England between 1945 and 2015. This chapter begins with an explanation of how and why individual measures are grouped together into domains, drawing on the approach taken by many of the measurers as set out in Chapter 4. Secondly, I consider what measures identified in Chapter 5 are relevant to the measuring of centralisation/decentralisation in England between 1945 and 2015 (Step 4 - consolidation of the Thesis Schema). The result of these considerations is the identification of 19 measures to be used in the construction of the Local Authority Index (LAI). The fourth part of the chapter outlines the validation process (Step 5 of the Thesis Schema), involving interviews with elite respondents. The final part of the chapter examines the weighting process used to determine the importance of each measure in influencing the levels of authority expressed in the LAI.

7.2 The Domains

In Chapter 5, I identified four groupings of measures:

- Financial Measures
- Measures that consider the range of functions
- Measures that examine local autonomy in terms of the management of sub-national government
- Other Measures

Initially, I envisaged that the grouping of measures within specific domains would be a critical step in their operationalisation. Specifically, I was concerned that each domain should be of equal value and thus have an equal effect on the measurement of the level of authority. The achievement of domain parity is only possible if the domain itself is weighted or each domain contains the same number of measures. This apparent neatness raises three obvious but fundamental dilemmas. The first dilemma is whether the achievement of a neat statistical solution creates an artificial and, indeed, unjustified weighting for the measures within the domains that is purely dependent on the number of measures, rather than the importance of individual measures to the level of authority. The second consideration is whether the inclusion of the domains within the weighting exercise has a significant effect on the overall score for the LAI. Finally, within the context of a single index such as the LAI, is it even a legitimate concern?

Domain parity can be achieved by weighting either the individual measures or domains, or having the same number of measures in each domain. I have concluded that there can be no justification in changing the scores of the domains and/or individual measures simply to achieve domain parity. Equally it would be facile to allocate the same number of measures to each domain simply in order to achieve domain parity. I have also concluded that achieving domain parity only has a limited effect on the overall LAI. The details of my reasoning are included at Appendix 11.

The use of the domains for presentational reason reduces the need for a rigorous justification for their selection as the domains play no part in determining the overall scores that comprise the LAI. However, at least some justification is necessary. Since the mid-1970s, all but one of the measurers have used some form of financial measure and it is worthy of note that the financial domain received the highest score by the elite respondents, as detailed at the end of this chapter. Furthermore, local government finance has been a consistent concern of

academics and practitioners with a distinct narrative in terms of central/local relations and, therefore, it would be of some interest to view the ebb and flow of the financial aspects of local authority. The extent of local government functions is measured by a significant number of researchers and is perceived as an important manifestation of authority at the local level. Again, the presentation of the range of function as a single domain, which I have termed Policy Scope, could be of interest because of the significant changes in policy functions that have taken place over the study period. Finally, there are a number of measures that do not relate either to finance or policy scope but rather reflect the level of freedom local authorities have to manage and organise their own organisation, which I have termed Operational Freedom. Thus, I have arrived at three domains:

- Policy Scope
- Financial Autonomy
- Operational Freedom

7.3 Selecting the Measures

7.3.1 Selection Criteria

In Chapter 5, I identified 28 separate measures of centralisation/decentralisation that have been used by researchers. In Chapter 6, I considered the important developments that took place in England between 1945 and 2015 concerning central/local relations and the changing patterns of council authority. These chapters have enabled me to consider my own measures that are both robust and relevant in the English context. Although the 28 measures formed the basis of developing my draft measures, I considered three criteria that resulted in the elimination of a number of existing measures including their relevance to a unitary system of governance, their relevance to the concept of authority and their relevance to the English context between 1945 and 2015.

Relevance to a unitary system of government

As noted in both Chapter 5, a number of measures have been developed to quantify the levels of democracy that exist in particular countries. Such measures often reflect a preference for federal systems of government and, therefore, are often not relevant in non-federal arrangements and have been excluded as possible measures for unitary government such as the UK and England in particular.

Relevance to the concept of authority

The consideration of the concept of authority has proved particularly challenging in the selection of my draft measures and the consequential rejection of some powerful and frequently used existing measures. The most notable measures relate to finance and are considered in some depth at the start of Chapter 5; essentially, the amount of local finance does not relate to the level of authority councils have over how it is spent. Similar concerns relate to the number of staff employed by local councils, both absolutely and in comparison with the national government. As noted earlier, there could be circumstances where local authorities employ a considerable number of staff, but their tasks are laid down in detail by another organisation including, for example, central government. In such a situation, it would be the organisation that prescribed the tasks and not the employer that exercises authority.

Relevance to the English context

Chapter 6 has enabled me to determine which measures were and were not relevant to the English context between 1945 and 2015. If phenomena captured by certain existing measures did not resonate with the English experience, then clearly it would be pointless to take them forward as my own draft measures. A number of measures addressed the concept of shared authority, for example, but there is little evidence that such occurrences existed in the English context between 1945 and 2015.

7.3.2 Evaluating the Measures

I now consider each of the 28 measures identified in Chapter 5 in terms of the selection criteria outlined above. Reference to the relevant page numbers in Chapter 5 is included in the measure heading and a summary of the selection procedure is included in Table 16 below.

Measure 1. The proportion of all public-sector expenditure at the local level (pp. 98-101)

This measure, together with the number of tiers of government (Measure 25), is the equally most popular measure of centralisation/decentralisation used by the measurers and is also utilised extensively by the OECD, World Bank and IMF. This measure looks at the split of public expenditure spent at the national and sub-national levels. The basic assumption is that the greater the proportion of local spend the greater the level of decentralisation; however, as noted in Chapter 5, this measure does not necessarily relate to the level of sub-national authority. Indeed, I have severe doubts about using the proportion of all public-sector expenditure at the local level as a measure of decentralisation. Hooghe et al. sums up the position:

> On both conceptual and face – validity grounds, it makes little sense to use subnational public spending as a measure of subnational authority (Hooghe et al., 2010, p.18).

In conclusion, I have rejected this measure on the grounds that it is not relevant to the concept of authority.

Table 16: Measure Selection

Measure / Selection Criteria	1 Local expenditure	2 Local taxes	3 Local taxes %	4 % public exp.	5 Control tax rate	6 Control tax base	7 Spend Control	8 Ring fencing	9 Co budget setting	10 % own income	11 % income	12 % transfers	13 Access to loans	14 Functions	15 Policy control	16 Local veto	17 Appointments	18 Inspections	19 Comp powers	20 Central guidance	21 Legislation	22 Political freedoms	23 Nos. employees	24 Constitution	25 Nos. tiers	26 Federalism	27 Shared rule	28 2nd chamber rep
Relevant to unitary system																X					X					X		
Relevant to concept of authority	X	X	X	X						X	X	X											X		X			
Relevant to English context									X	X						X				X	X			X		X		X

Source: The Author

Measure 2. Local taxes and local expenditure as a % of GDP (pp. 101-102)

Measure 2 looks at local taxes and expenditure as a percentage of GDP with the aim of demonstrating the relative growth of sub-national government in relation to either central government or the economy as a whole. The same concern relating to Measure 1 is apparent with Measure 2 in that it does not necessarily relate to levels of sub-national authority and is, therefore, rejected.

Measure 3. The amount of local taxes as % of all taxes (pp. 102-104)

The third measure is the amount of local taxes as a percentage of all taxes. Although this measure is used by the OECD and seven of the measurers, there is clearly a high level of concern over its use. I recognise that, although the OECD has attempted to take into account the power of local authorities to set the local rate of taxation, such improvements do not change the fundamental character of the measure. The improvements to the OECD data, following the Paris workshop in 1999, raises the question whether the control over local taxation and levels of fiscal autonomy are more important consideration than the proportions of central/local taxation. Hooghe et al. sum up the concerns with this measure as follows:

> Measures of the amount or proportion of subnational taxes are only weakly correlated with measures of tax authority or tax discretion' (Hooghe et al., 2010, p.19).

My conclusions are that the "power of the purse" (referred to at page 103) is not one dimensional in that ownership of the purse does not necessarily determine authority to either fill it or use it. It is the authority or lack of it, to set the base and rate of local taxes, as explored in the OECD (1999) report that is far more revealing in understanding levels of authority and determining real levels of centralisation/decentralisation. Therefore, I have rejected this measure.

Measure 4. The Proportion of sub-national revenue as a % of total public-sector revenue (pp.104-105)

This measure looks at the proportion of sub-national revenue as a percentage of total public-sector revenue and is preferred by nine of the measurers. Concerns about the use of this measure, in the context of authority, are similar to the previous three measures. It is difficult to conclude that the amount of expenditure and revenue are an important element in determining differential levels of authority, and as Stegarescu states:

> A system where sub–central levels of government have real autonomy to determine the allocation of their expenditure or to raise their own revenue is more decentralised than another system where local or regional government spending and revenue are determined by national legislation, even though the formal assignment of functions or revenues might be the same. (Stegarescu, 2005, p.302)

For the reasons outlined above, this measure is rejected.

Measure 5 and 6. Control over the rate and base of local tax (pp. 107-108)

Measure 5 considers the ability of sub-national government to control the rate of their own local tax. Measure 6 looks at the freedom of local authorities to determine the base of local taxation. Both measures are only used by three of the measurers. The perceived deficiencies of the OECD fiscal measures led to the development of Measures 5 and 6 in an attempt to relate fiscal concerns with issues of sub-national levels of authority. The measures are also pertinent to both unitary systems of government and the experience of central/local relations in England between 1945 and 2015. Both measures are therefore selected for the purpose of constructing my LAI. The LAI measure number and title is detailed below.

LAI Measure FA1. Setting the Base of Local Taxes

LAI Measure FA2. Setting the Rate of Local Taxes

Measure 7. Control over revenue and capital spend (p.108)

This measure has only been used by two of the measurers and considers the relative freedom sub-national government has to control its revenue and capital spending. The reason for such a low level of interest is probably due to the popularity of the measures considered and rejected above. The compilers of the first four rejected financial measures accept that considerations of local control is a pertinent consideration but conclude that it does not warrant a separate measure. However, within the context of authority, the measure is very apposite and is therefore, selected for the LAI..

LAI Measure FA3. Control over Revenue and Capital Spend

Measure 8. Ring-fencing of central grants (pp. 108-109)

Most, if not all, sub-national governments receive grants (transfers) from central government. Some grants are provided without any restriction on how the resource is spent. Others are ring-fenced for specific purposes. This measure records the proportion of government grant that is ring-fenced. Interest in this measure is long standing and was first considered, but not used, by Fesler in 1965.

I consider that ring fencing of grants to local authorities to carry out functions determined by the centre has nothing to do with measures of local authority in itself. However, when inadequate local finance needs to be subsidised by central government because of central constraints on local taxation it is wholly appropriate to consider the ring-fencing of this support in terms of local levels of authority. The question remains, however, is the limitation

on local taxation the real measure of local authority or does the amount of the ring-fencing of national grant form a legitimate consideration in its own right? Lyons noted that:

> One of the most powerful tools at central government's disposal has been the ability to influence local government behaviour through ring-fenced or specific grants which come with specific targets or other conditions attached (Lyons, 2007, p.131).

My conclusion is that if the amount of ring fenced grants increases and general grant stays the same, or even increases, then the level of local authority does not change. If, on the other hand, ring fenced grants replace general grants (and indeed total income) then levels of local authority will decrease and, thus, I have selected this measure for the LAI.

LAI Measure FA4. Ring-Fencing of Government Grants

Measure 9. Co-determination of national public expenditure including the distribution of tax revenue (pp. 109-110)

This measure concerns the extent to which sub-national government shares authority with central government in the distribution of tax revenue. The measure is appropriate for unitary states and as a measure of authority; however, I am not aware that such a high level of cooperation has occurred in the context of central/local relations in England between 1945 and 2015 and, for this reason, it is rejected.

Measure 10. Percentage of own income from fees and charges (p. 110-111)

Measure 10 considers the proportion of total income that is generated by sub-national government compared with central transfers. This measure is used by five of the measurers and assumes that, because income is raised locally it is less likely to be controlled by central government and, thus, there is more local autonomy.

However, I have concluded that it would be unwise to assume that central government is not in a position to control levels of local income generation as opposed to transfers. In fact, in the UK this income source known as Local Authority Self-Financed Expenditure (LASFE) is under central control (apart from a brief period between 1 April, 1990 and 31 March, 1993) much to the disappointment of UK local authorities (Capaldi, 2006, p.46). Since high levels of locally generated income are not synonymous with levels of authority, certainly within the English context, it is rejected as a LAI measure.

Measure 11. Own income and local taxation as a % of total revenue (p. 111)

This measure is closely related to Measure 10 and is rejected for the same reasons.

Measure 12. Transfers as a % of sub-national revenues (p. 112)

Measure 12 is simply a different presentation of Measure 11 and is therefore rejected.

Measure 13. Access to loans – the ability to borrow (p. 112-113)

This measure records the level of freedom sub-national government has to borrow money. There are a number of instances when central government restricts the level and sources of loans thus reducing levels of authority. Although there is no outright rejection of this measure, it is only used by five of the measurers; however, it meets all three of my selection criteria and so is included as a LAI measure.

LAI Measure FA5. Freedom to Borrow

Measure 14. Extent of functions (pp.114-116) and Measure 15. Control over specific policy areas (pp.116-117)

Measures 14 and 15 are closely related, the major difference being that the functions identified in Measure 15 relate specifically to the subject of the measurers' research rather

than a consideration of the extent of sub-national functions in general. Measure 14 considers a range of functions drawn from the work of Stephens (1974) and Hooghe et al. (2010). While there is considerable overlap of functions between the two sets of research there are a number of differences that warrant some consideration. Stephens, whose work was based on the USA, does not identify economic policy although he does identify urban renewal which often has an economic dimension. The omission of economic policy may be due, at least in part, to the date of Stephens' research in that local economic initiatives were not extensive in the mid-1970s. Stephens also omits public utilities, which presumably reflects the variation of local authority involvement in such activities, at least in the USA. The one function identified by Stephens but omitted by Hooghe et al. is planning. The reason for the lack of interest in planning is not obvious, although it may be included within regional development. The one function not identified by either sets of research is responsibility for fire services.

There is no apparent opposition to the use of measures of centralisation/decentralisation that consider the range of functions carried out by sub-national government apart from, as Rodden (2004, p.486) notes, that it is difficult to do. Drawing from the work of Stephens (1974) and Hooghe et al. (2010) as outlined in Chapter 5, it is possible to identify a range of policy scope measures. For the purpose of the LAI, the following measures are used (detailed definitions are provided in Chapter 8).

LAI Measure PS1. Economic Policy
LAI Measure PS2. Education
LAI Measure PS3. Social Services
LAI Measure PS4. Police
LAI Measure PS5. Infrastructure
LAI Measure PS6. Public Utilities
LAI Measure PS7. Health
LAI Measure PS8. Housing
LAI Measure PS9. Planning
LAI Measure PS10. Fire

Measure 16. Local veto (p. 118)

A local veto is the ability of sub-national government to veto certain decisions of central government. It is easy to perceive that such a power would have a significant impact on the level of local authority; however, it is unlikely to exist in a unitary system of government and has not existed in England between 1945 and 2015. For these reasons, this measure is rejected.

Measure 17. Local appointments (p. 118-119)

The ultimate level of authority in terms of local appointments is that councils are free to appoint (or dismiss) their own staff. In this scenario no post is prescribed by outside organisations and councils are free to deliver their services through their own staff, if that is what they wish to do. They also determine levels of pay and set their own terms and conditions. This measure, which complies with all three of my selection criteria, records the extent that sub-national government controls over these important employment concerns, and is selected for the LAI.

LAI Measure OF4. Local Appointments – Terms and Conditions

Measure 18. Audit and inspections (pp. 120-121)

Audits and inspections have only been used by two measurers and, therefore, a greater level of explanation is required if such a measure is to be included in the LAI. Audits and inspections or 'oversight' over local government have not, as Hood et al. (2002, p.93) observe, been consistently applied; rather, as they note: 'Oversight has grown in fits and starts and occasionally decreased, but the long-term trend is a striking growth in its scope and intensity.' Audits and inspections are a good example of informal authority, in that local councils are 'forced' to change the way they operate and deliver services not because of the

preference of the local authority but because a good audit or inspection result is considered more important than the expression of the organisation's own operational freedom and priorities. It can, of course, be argued that the decision to place a greater importance on 'a good inspection report' rather than following local priorities is still a local decision and that authority stays with the council. But national league tables, which are one-sided 'factual' and non-contested reports, are powerful tools in forcing local authorities to conform to a national rather than local set of priorities.

Much of the research into the negative effect of external inspection on local government centres on the cost of inspections and the resultant standardisation of approaches to management and service provision (for example see Davis et al., 2001 and Newman, 2001). However, apart from Smith (1985) and Rhodes (1988), as noted in Chapter 5, the literature is remarkably quiet on the effect of external inspections on the authority of local councils. Unfortunately, these two authors do not proffer a detailed justification of why central government inspired audits and inspections should be considered as part of any study of the levels of authority for sub-national government.

Before considering in more detail the case for including Measure 18 in the LAI, there is a practical point that needs to be considered. As noted previously, The Education Act, 1944, is often quoted as an early example of central government control over local councils. In particular, Section 1 of the Act clearly states that it is the Minister's duty to 'secure the effective execution by local authorities.' This tutelary power is not unique to education. Loughlin (1996) provides three examples between 1929 and 1957 where Ministers were given powers in legislation to inspect local government as they so wished in order to ensure the 'proper delivery of services'. The practical point that needs to be considered is that central government has always had the power to require audits and inspections of local government

and, therefore, the level of authority is a constant. If such a conclusion is reached, then little purpose would be served by including this measure as a measure of authority.

However, there are at least two contrary considerations. The 'traditional' tutelary powers of Ministers are quite different from the new powers of audit and inspection that were introduced between 1974 and 1997 (as noted above in Chapter 6, pp.175-177). It would be negligent to ignore such differences and explore what different effect that they may have on the levels of authority experienced by local councils. Secondly, the 'traditional' legal requirements, as outlined by Loughlin, are in reality quite nuanced and not as draconian as they might at first appear.

> The legal framework provided a skewed picture of actual relations between central and local government; conventional practices were much more important than legal formalities (Loughlin, 1996, p.63).

In other words, the actuality was somewhat different than the law implied and most certainly was not used as a blanket control over all councils. The question remains, however, as to why such tutelary powers were included in the legislation. A very credible explanation is provided by Loughlin (1996, p.64) who argues that, 'the system was designed to keep the courts out'.

To include this measure as a measure of authority, I therefore need to establish from the 'non-measuring' literature clear evidence that audits and inspections have an influence on the choices local authorities make in terms of their priorities. Davis et al. (2001, p.14), in commenting on the indirect costs of the various inspection regimes of the 1980s and 1990s, note three ways inspections can change local choice in a negative way:

- Opportunity costs - diverting activity to manage the inspection process
- Displacement effects – only do what is measured
- Encouragement of a standard approach that might not meet local needs and priorities

The first cost is particularly relevant for smaller councils, where it is likely that a significant proportion of policy staff were diverted from potentially politically important corporate projects to serve the 'inspection regime'. The second cost is not particularly well evidenced but there is a logic that, since central government chose the measures for Best Value, CPA and CAA, then it was their priorities that the inspections focussed upon forcing local authorities to concentrate on these priorities rather than local ones, as explored in Chapter 6 pages 175-177. The final cost has been identified by a number of other scholars including Hargreaves, who noted that local approaches not included in the OFSTED model are frowned upon:

> In other words, divergence from the normative model can become not commendable diversity enhancing choice, but reprehensible deviance demanding suppression. (Hargreaves, 1995, p.121)

Day and Klein (1990, p.4), in commenting on Social Service inspections in the 1980s, noted that the emphasis was on forcing through national policy even if this 'meant a diminution of local discretion'. Central government has generally taken the view that their inspection regimes are simply about securing objective non-political improvements in local services and in this regard they have been successful as, for example, articulated by ODPM (2005). Political neutrality is very much in the eye of the beholder and many non-Labour councils in the late 1990s did not consider the inspection regime to be non-political. As Power notes:

> In reviewing effectiveness, the VFM auditors' encounters problems in maintaining the myth of neutrality and runs the risk of questioning political values. (Power, 1997, p.51)

On balance, I have concluded that audit and inspections do impact on the authority of sub-national government and I have included it as a LAI measure.

LAI Measure OF1. Audits and Inspections

Measure 19. General power of competence (p. 121)

As has been noted on a number of occasions above, the existence and powers of English local authorities depend on central government. Authority rests ultimately with the UK Parliament and no safeguards exist to protect the authority of local government as would be the case in a federal arrangement. Local authorities in law are considered to be statutory corporations and as such the doctrine of *ultra vires* applies. Bailey provides a very concise explanation of the doctrine:

> Unlike a natural person who can in general do whatever he pleases so long as what he does is not forbidden by law or contrary to law, a statutory corporation can do only those things which it is authorised to do by statute, directly or by implication. There must in all cases be statutory authority for what is done, and that authority must either be expressly given or reasonably inferred from the language of an Act of Parliament. Bailey (2004, p.11)

The interpretation of the doctrine of *ultra vires* within the UK context has changed over time and there have been two occasions (Local Government Act, 2000, and the Localism Act, 2011) where central government have introduced legislation that gives local authorities a general power of competence that allows them 'to do things' that are not authorised by statute.

Although used by only one measurer, it appears to me that the existence of a general power of competence is important in allowing local authorities to do what they want to do and thus operate with greater autonomy than they could if their legal authority was determined solely

by statute under the *ultra vires* principle. It should follow that increased autonomy must have a relationship with enhanced authority and thus warrants inclusion as a measure in the LAI.

LAI Measure OF3. Ultra-Vires and the General Power of Competence

Measure 20. Central Government guidance (pp. 121-122)

Rhodes (1988) identified central government guidance, primarily in the guise of departmental circulars, bulletins and handbooks, as an issue in terms of central controls over local government, but not one that is particularly important in determining local choices. I have concluded that, however nuanced, central government guidance certainly in the UK does influence local decision making. Such concerns can only be taken forward through the individual functions of local authorities (expressed by the nine policy scope measures), and not as conceptual consideration itself and, for this reason, the measure is rejected.

Measure 21. The ability to legislate (pp. 122-123)

While I do not question the importance of this measure in determining levels of sub-national authority, it is clearly not an appropriate consideration in the case of English local authorities as they do not have the ability to pass legislation independent of central government. It is, therefore, rejected as a LAI measure.

Measure 22. Political freedoms (p.123)

Only Rhodes (1988) specifically identifies a measure of political freedom, which he refers to as 'political controls', as a way that central government exerts control over sub-national government. In the context of a unitary system, central government will always be the power of last resort and from time to time they will intervene, for example, to 'rescue failing councils.' This power has rested with central government throughout the study period but the use of it has varied. The essence of this measure is the control or lack of it, that local

authority elected members have over their own organisation and their own political expression. Sanctions from the centre, resulting in restrictions on local political views and directions on how their council should be organised, can have significant effects on levels of authority at the local level and, therefore, I have included it as a LAI measure. The lack of precedent for such a measures requires a more detailed specification which is included in Chapter 8.

LAI Measure OF2. Political Freedoms

Measure 23. Ratio of employees between central and local government (p.124)

There are two main problems with this measure. The first is that the number of employees in any organisation is never a measure of how influential that organisation is or, how much authority it has. This is no different for central government so why should it be considered an appropriate measure? It is not unimportant to consider what employees actually do. A local council could employ a hundred people to build a road while central government could employ ten people to decide the road is necessary, to design it, cost it and oversee its construction. Is it feasible to conclude that the local council is ten times more influential than the central authority and, ultimately, has more authority? The second issue is that it should not be assumed that a tier of government needs to directly employ people to exert authority. This is pertinent for both central and local government. Central government could privatise/outsource large sections of its bureaucracy but still maintain direction and maintain full control. Equally, as many local councils in the UK have done, they could outsource the delivery of a significant range of functions to private organisations but still retain overall control and, responsibility for the services. Measure 23 is, therefore, rejected; however, it should be noted that local appointment of employees is included in measure OF4.

Measure 24. Constitutional recognition (p.125)

A number of measurers not surprisingly consider that the inclusion of sub-national government within the national constitution is an important measure of authority. There is no constitutional recognition of local government in England and, indeed, if central government so decided, it could abolish all English councils; therefore this measure is rejected.

Measure 25. Number of tiers and elections of local government (p.125)

This measure is the equal most popular measure used by the measurers, but it is difficult to establish why the number of tiers of government affect levels of authority. Since all English local councils are subject to regular elections this measure is rejected.

Measure 26. Federalism (p. 125)

By definition, this measure is not relevant either to a unitary system of government - and hence the English context - and is, therefore, rejected

Measure 27. Shared rule (p. 126)

As noted in Chapter 6, there is little evidence to suggest that shared rule is a phenomenon that has occurred in the context of England and is, therefore, rejected.

Measure 28. Local representation in national second chamber (p. 127)

There is no local council representation in the House of Lords and, therefore, this measure is rejected on the grounds that it is not relevant in the context of England.

7.4 Validation

An essential step in the Thesis Schema, set out in Chapter 3 (p.48) is the validation stage. In order to test the relevance of the draft domains and measures particularly in the English context, interviews with elite respondents were used to provide external validation.

The process and methodology used for the validation is set out at Chapter 3. Prior to the interviews, which took place between March and June 2018, the elite respondents were forwarded information about the research (attached as appendices), interview procedures and the questions I intended to ask.

> To what extent does the interviewee consider that the researcher has identified the main areas (domains) and measures that are important in ordering the measuring of centralisation/decentralisation? An opportunity will also be given for responders to share their experience of significant events that have changed the levels of authority within the three domains. (Author email, 2018)

The results of the interviews proved very encouraging in terms of validation. All the respondents supported the three domains and there was strong support for the measures and, as one former chief executive (MR) (full names given in Appendix 4) said, 'I think you have pretty well covered it'. That is not to say there was unanimous agreement. One chief executive (SB) did not consider that the fire service should be included as a policy scope measure; however, another chief executive (WS) considered it was one of the most important service areas. In terms of missing measures, one expert (AB) and one elected member (MO) suggested the inclusion of measures that looked at the proportion of taxes and revenue collected and spent at the local level compared with the national situation (the first four measures considered earlier in this chapter and in Chapter 5). One chief executive (WS) believed that control over the electoral cycle is an important element of authority at the local level and should be included as a measure.

A number of respondents (AB, LB, PA, and MR) echoed the concerns raised in Chapter 2 that it may be an oversight to disregard the 'new' arrangements of multi-agency local

governance concentrating only on councils' levels of authority. One former chief executive and civil servant (LB) said:

> I think the one thing maybe you don't bring out, and you'll say you don't need to but I think it's something that is often overlooked, is this relationship with the voluntary, not for profit charitable sector because we get ourselves in the mindset as thinking that devolution and place is only about the statutory sector and government decisions and actually it is about how good are you and one of the main reasons for devolution is to create a world where it's easier to bring all these resources together and to incentivise people in a place to provide for needs so I'm looking for all the bits to add up to and I just feel that the voluntary sector is something which is slightly missed out. (Lord Bichard 2019)

In a related comment, one leader (PA) considered that I should have given greater consideration to partnership working. Finally, three respondents (JL, MR, and LB) considered that more attention should have been given to 'place shaping' (defined by Lyons, p.393, 2007 as 'The creative use of powers and influence to promote the general well-being of a community and its citizens') because, in their view, this should be the main activity of local councils.

The comments made by the respondents were overwhelmingly supportive, however. The concerns noted above have not led me to change any of the draft measures for the following reasons. The comment about the fire service was not shared by many of the other respondents. Even if a large number of respondents had similar views, this could be taken into account through the weighting process. The comments on the 'missing' finance measures were fully explored earlier on in this chapter and at Chapter 5 (p.97-105). I remain adamant that such measures are incompatible with the measuring of authority. The comment on

control of the electoral cycle is interesting and bears some relationship with Measure 28 (control of the local constitution); however, local government has never enjoyed control over the electoral cycle over my study period and, therefore, its measurement would be unhelpful.

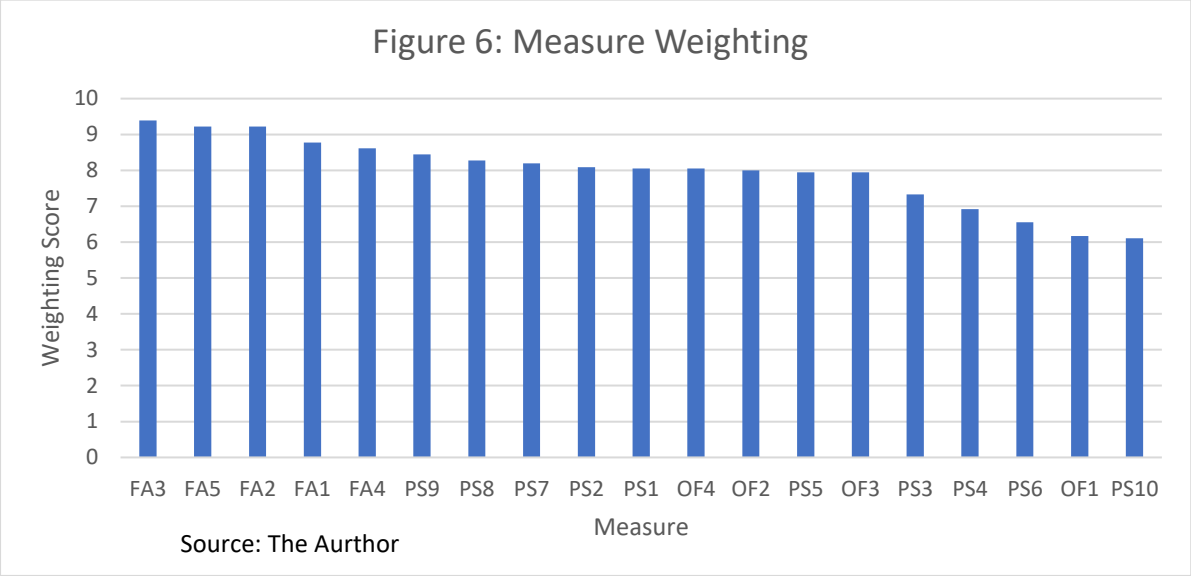
The comments on the changing nature of local politics from 'government to governance' (Rhodes, 1992), including partnership working, reflects the discussion in Chapter 2 and, in particular, the nuanced view of power expressed by academics such as Lukes (1974). I consider that the respondents' views on this matter are entirely understandable from a practitioner perspective. However, in terms of measuring levels of centralisation/decentralisation, I refer back to my observations in Chapter 2 (2.6) and the remarks made by Hooghe et al. (2010, p.5) that such a sophisticated concept of authority is simply too difficult to measure.

None of the measurers attempted to directly address 'place shaping' as a single concept. Although I accept that such a concept extends beyond town planning, some of the comments made on this issue by the respondents were very much planning related and, as such, are covered under the Policy Scope planning measure (PS9). Furthermore, the concept is relatively recent and it would be difficult to put it into a historical context as would be required for the research.

7.5 Measure Weighting

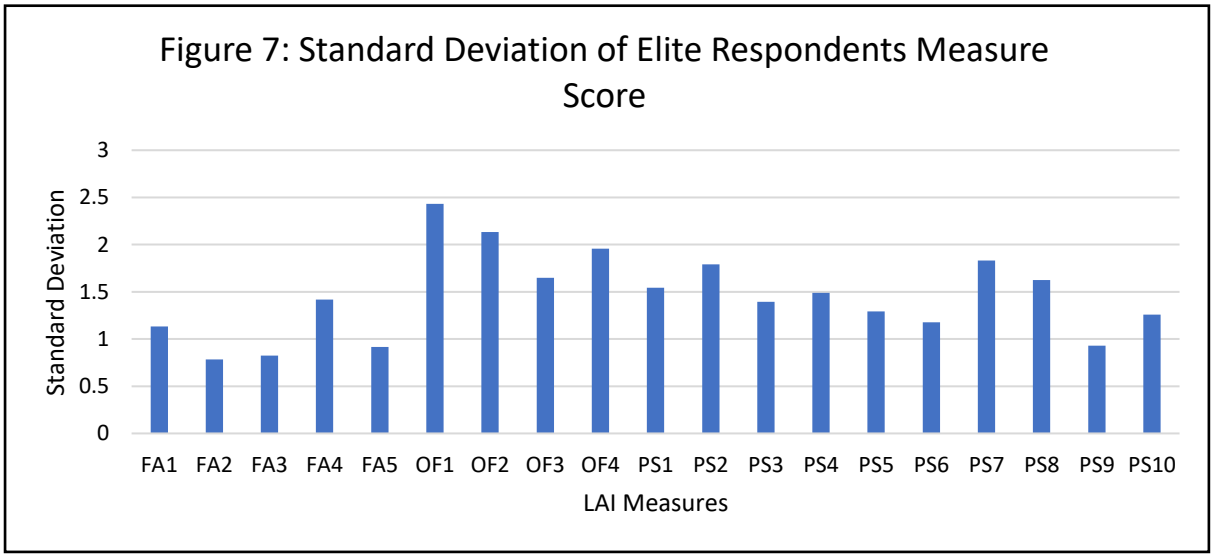
The second role of the elite respondents was to weight the 19 selected measures. The methodology used for the weighting process is set out in Chapter 3. The elite respondents were asked to score each measure between ten and zero in terms of their importance in determining levels of authority. The final weighting to be applied to each measure is simply the average score. All the respondents made a valuable contribution, often explaining in some depth why they gave a particular score to a measure. Overall, the financial measures received

the highest scores as demonstrated in Figure 6 below. All the scores are included at Appendix12.



The policy scope measures, and operational freedom measures have a broader range of scores with a third of interviewees suggesting a score of seven or less, compared with just one interviewee for financial autonomy.

As set out in Chapter 6, the final part of the weighting process involves a validation of the scores to ensure that there is no unexplained significant deviation. The variation in the scores given by respondents, using standard deviation are shown in Figure 8:



Source: The Author

I consider the overall inter-rater variability to be acceptable. The only measures with a standard deviation above two were in the operational freedom domain, OF1 and OF2. OF1 (Audits and Inspections) received a particularly low score from NB, AB and SA.

NB gave a score of zero for this measure and considered that audits and inspection, far from eroding authority at the local level, were an absolute necessity stating:

> Yes, absolute and utter chaos if there was no formal inspection whatsoever, you might be surprised to hear this, but I actually thought that the CPA regime did a hell of a lot of good for the UK and local government. (Nick Bell. Authors notes 22/5/18)

AB explained how his low score reflected his low scoring of all the operational freedom measures because, as he stated at the interview, 'this section is generally a lesser important section.' SA considered that audits and inspections are a useful tool for improvement and need not reduce levels of authority. OF2 (Political Freedoms) received a particularly low score from AB which reflects his overall low opinion of the operational freedom domain.

7.6 Conclusions

Chapter 7 has drawn on the identification and analysis of existing measures of centralisation/ decentralisation in Chapter 5, alongside the analysis of central/local relations in England and the changing patterns of councils' authority presented in Chapter 6. This chapter takes forward step four (consolidation) and step five (validation) of the Thesis Schema (Figure 1, p.48) resulting in the identification and validation of three domains and 19 measures of centralisation/decentralisation for use in constructing the LAI itself. This set of measures have been shown to fit my key criteria of relevance to a unitary system of government, the concept of authority, and the English experience between 1945 and 2015.

My initial intention was to weight my selected domains; however, for the reasons set out in 7.2, I concluded that this exercise was unhelpful and, indeed, unjustified. The concept of identifying domains, however, is both valid and useful in terms of presentation and analysis. Three domains were identified:

- Policy Scope
- Financial Autonomy
- Operational Freedom

The measure selection procedure based on the three criteria outlined above proved to be both transparent and robust, resulting in 19 measures covering all three domains.

The validation process was based on the views of the 18 elite respondents who all supported the three domains, with strong support for the measures. Having decided not to weight the domains, it only remained to weight the measures, based on the average score of the 18 elite respondents. The completion of the weighting exercise (which included its own validation exercise) was the final stage in preparing for the operationalisation of the measures which takes place in Chapter 8.

CHAPTER EIGHT: OPERATIONALISATION OF THE MEASURES

8.1 Introduction

In Chapter 7, I identified three domains and 19 measures relevant to the measuring of centralisation/decentralisation in the context of a unitary system of government, the use of the concept of authority as 'the unit' of measurement, and the English context between 1945 and 2015. This chapter is concerned with the operationalisation of the 19 measures, which is the sixth step of the Thesis Schema (p.48).

The operationalisation of each measure requires a slightly different approach to ensure that the key events leading to changing levels of authority are fully captured; however, the presentation of each measure follows a common format:

- Explanation
- The construction of a measure model
- The population of the model to produce actual scores
- The presentation of a bar graph to graphically show the changing levels of authority for each measure.

In introducing each measure, I seek to explain why they are operationalised in a certain way. The first task in operationalising each measure is to develop a model. The model sets out the criteria for measuring and the possible scores that can be awarded to each criterion. The overall score for each measure is always between zero and ten. Each model is different and varies in complexity, but they all seek to reflect the important events identified in Chapter 6. Each measure is scored according to the model and is then weighted by multiplying the mean score for each measure given by the elite respondents set out at Appendix 12. The key events

determining the scores are identified in the 'actual tables' and cross referenced to the relevant explanation in Chapter 6. Where the total scores and the scores for each criterion are the same as previous years, they are normally grouped together to save space. For example, the score for local economic development in Table 12, between 1945 and 1973 is the same for each year during that period and, therefore they are grouped together rather than presented as individual years. The exception to this general approach is when apparently significant events occur but do not change the level of authority. An example of such a situation occurs in the training and skills criterion in Table 12. Although the establishment of the Central Training Council in 1963 was a significant event it did not change the level of authority for local councils compared with the period before 1963, but in order to aid transparency, I present the post 1963 period separately from the previous period. Finally, each completed measure is presented in the form of a bar chart, with each bar depicting each year between 1945 and 2015.

8.2 Policy Scope Measures

8.2.1 Measure PS1 Local Economic Development (LED)

8.2.1.1 Explanation

Local Economic Development (LED) is a complex function and for most of the study period it did not enjoy statutory recognition. There is a wide and varied range of LED activities cited in the literature ranging, from profound attempts to intervene in the local economy to a minimalist approach; therefore, it is difficult to establish a local authority-wide bench mark on what comprises different levels of LED activity. But the possession of authority to act does not, and should not, imply a requirement to act. To decide not to intervene in the local economy is still an expression of authority. I have identified four types of LED activity, highlighted in Chapter 6, that local authorities have been involved in between 1945 and 2015 and these provide the first four criteria used in the model. I have not sought to differentiate

the importance of each LED activity and, therefore, the model gives them the same range of scores to each criteria.

It is a feature of English economic development that, from time to time, central government promote non-local authority economic initiatives, most notably concerning training. The involvement of local authorities in these central government inspired initiatives varies over time, which affects the level of council authority. The scoring of the training and skills criteria, therefore, reflects the level of local authority involvement in national training initiatives. Chapter 6 reveals that English councils have never had a central role in training and skills development beyond their role as LEAs. It was only in 1974, with the establishment of the MSC, that local authorities became more involved in this activity. Specifically, councils were allotted two seats on the 10 person MSC Board (See pp. 170-171). Despite the lack of council leadership in training and skills they have possessed an element of authority in this field that deserves to be recognised. Councils have never had sole responsibility for training and skills and, thus, the scoring for this criterion seeks to reflect the impact of local authorities on various national training initiatives.

The maximum score of 2.5 would be achieved if local authorities were involved in a strong partnership, with equal levels of authority with the national training body. A weak partnership (1.25 points) is typified by some local authority involvement on the decision making body of a national training body but with minority representation. Limited involvement (0.6 points) recognises that, while there may be limited councillor membership on a national training body, they do not act as the 'voice' of local authorities. The final category occurs when there is no local authority representation on the decision making body of the national training provider (0 points).

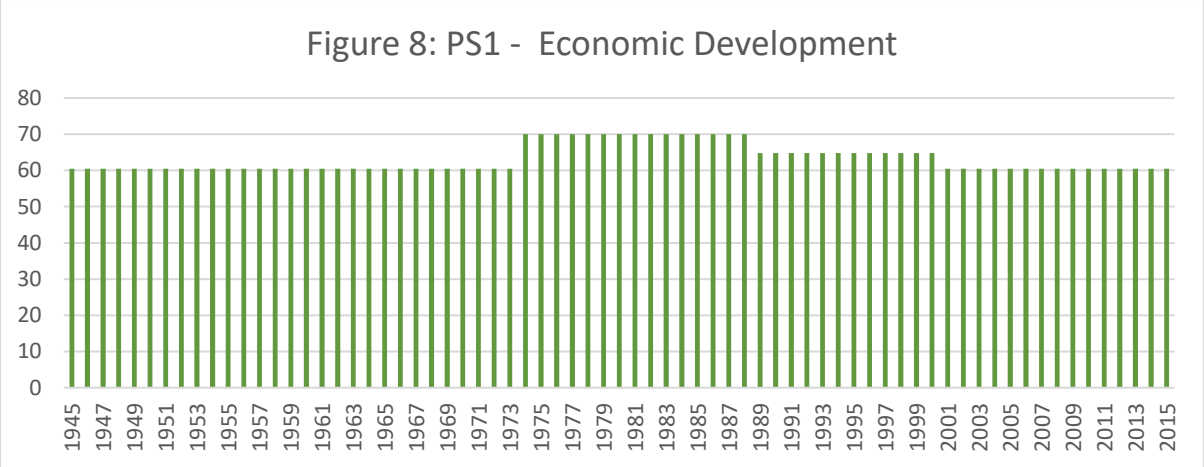
The remaining three criteria of promotion, land and premises and business support have been a continuous activity of councils over the study period with little interference from central government. The model provides a simple binary score of local control (2.5) and central control (0).

Table 17: PS1 Local Economic Development - Model	
Criterion	Score
Training and skills	
Strong partnership	2.5
Weak partnership	1.25
Limited involvement	0.6
No involvement	0
Promotion including tourism	
Local control	2.5
Central control	0
Land and premises	
Local control	2.5
Central control	0
Local business support	
Local control	2.5
Central control	0

Source: The Author

Table 18: PS1 Local Economic Development - Actual				
Criterion	Year	Score	Weighted Score	Events
Training & skills				
	1945-1962	0	0	• LAs not specifically involved in training and skills development beyond their role as LEAs (See Measure PS2). The majority of training and skills development undertaken by individual employers and groups of employers (pp.145-147)
	1963-1973	0	0	• First involvement of the state in training and skills development came with the establishment of the Central Training Council (CTC) in 1963. Little or no involvement of LAs with the CTC (pp. 145-147)
	1974-1988	1.25	10	• MSC established as a result of the 1973 Training Act. MSC included LA representation. Weak shared responsibility (pp.170-171)
	1989-2000	0.6	4.8	• MSC abolished in 1988 and replaced by TECs. Although LA Members included, they were not permitted to represent the views of their authorities. Weaker shared responsibilities (p.171)
	2001-2010	0	0	• L&SCs established. No significant involvement of LAs (p. 171)
	2011-2015	0	0	• SFA established. No significant involvement of LAs (p.171)
Promotion & inward investment				
	1945-2015	2.5	20.2	• Although the level of activity in promotion and inward investment has varied the level of authority has remained constant over the study period (p.145)
Land and premises				
	1945-2015	2.5	20.2	• The provision of land and premises for employment generation has been the bedrock of LED throughout the study period (p.145)
Local business support				
	1945-2015	2.5	20.2	• Support for local business by LAs has been consistent throughout the study period. Although other organisations have at times occupied the same policy area but LAs have not been excluded from supporting local businesses (p.145)
Total Scores				
	1945-1973 1974-1988 1989-2000 2001-2015	7.5 8.75 8.1 7.5	60.5 70 64.8 60.5	

Source: The Author



Source: The Author

8.2.2 Measure PS2 Education

8.2.2.1 Explanation

The eight criteria I have selected cover a broad range of educational responsibilities that have changed, sometimes quite dramatically, since 1945. Each criterion is awarded the same range of scores i.e. 0 - 1.25. Due to the size of the 'Actual Table' (Table 22) a separate table is compiled to show the annual scores (Table 23).

It would be wrong to assume that the introduction of the National Curriculum in 1988 represented a binary shift of authority between local authorities and central government. It is clear from my analysis in Chapter 6 that responsibility for the curriculum before 1988 was not the exclusive responsibility of the local authority. To reflect the changes in responsibility for the curriculum I have identified three categories ranging from local determination to no responsibility.

In terms of school structures, the debate has been dominated by the promotion and resistance to comprehensive education. The level of control over what local structure is adopted has never rested entirely with local authorities, as permission has always been required from the Minister; however, within the context of a unitary state and the events set out in Chapter 6, I

have concluded that such a situation equates to local determination. The remaining two categories for this criterion recognise that central government can be more assertive in encouraging a particular school structure, while still leaving a considerable amount of local discretion. I have termed such a situation as shared determination. The final category occurs when local authorities have no control over school structures.

Upper tier local authorities have, throughout my study period, been responsible for ensuring sufficient school places are available in their area. However, as a result of the Academies Act, 2010, local authorities lost control over who builds new schools. The scoring for the planning and building new schools criterion provides for three possibilities ranging from local authority determination through to having no responsibility.

Local Education Authorities have played a vital role in supporting local schools in terms of training and support services such as HR and finance. While a large number of schools still use the services of LEAs, their near monopoly position was broken by the 1993 Education Act. This criterion includes three possible scores which covers monopoly supply, mixed economy, and restrictive supply.

Although a mixed market exists in the provision of nursery education, local authorities have played a significant role in its provision since 1945. At times, central government has sought to specially encourage private sector and voluntary provision. I have identified three possible categories for this criterion reflecting the full range of provision, covering monopoly supply, mixed economy and exclusion from such provision.

It was not until the 2010 Academies Act that serious consideration was given to the transfer of primary schools away from LEA control. The loss of primary schools from LEA control is a direct reduction in council authority and can be easily measured by reference to the percentage of schools that have transferred on an annual basis. The potential score within the

partial control category has been set as a range and the actual score recorded for a given year relates to the percentage of primary schools that remain under LEA control as set out in Table 19 below.

Table 19: Percentage of Primary Schools Under LEA Control as a Result of Academy Transfers

Year	% of schools transferred	% of schools remaining in LEA control	Score (% schools /1.25)
2011	2	98	1.2
2012	6	94	1.2
2013	11	89	1.1
2014	15	85	1.1
2015	18	82	1.0

Source: National Audit Office (2018) p8 and The Author

The consideration of secondary education follows the same approach and data sources as for primary education. City Technology Colleges established under the Education Reform Act 1988 have not been included within this sub measure due to the small number of transfers (15). The transfer of City Academies, announced in 2000, are included based on data provided by West and Bailey (2013) and is set out below in Table 20.

Table 20: Percentage of Secondary Schools Under LEA Control as a Result of Academy Transfers

Year	% of schools transferred	% of schools remaining in LEA control	Score (% schools /1.25)
2002	0.1	100	1.25
2003	0.3	100	1.25
2004	0.5	99	1.25
2005-2006	1	99	1.2
2007	2	98	1.2
2008	4	96	1.2
2009	6	94	1.1
2010	11	89	1.0
2011	36	64	0.8
2012	50	50	0.6
2013	57	43	0.5
2014	61	39	0.5
2015	65	35	0.4

Source: West and Bailey (2013) p148, National Audit Office (2018) p8 and The Author

Prior to 1992 further education and polytechnics were the responsibility of local authorities. The 1992 Further Education Act removed all FE colleges, polytechnics and sixth form colleges from local authority control. I have identified two binary categories for this criterion covering LEA control/no control.

Table 21: PS2 Education - Model		
Criterion	Range	Score
Curriculum		
Local determination	.	1.25
Shared determination		0.6
No responsibility		0
School Structures		
Local determination		1.25
Shared determination		0.6
No responsibility		0
Planning & building new schools		
Local determination		1.25
Shared determination		0.6
No responsibility		0
Training & support services		
Monopoly supply		1.25
Competitive supply		0.6
Restrictive supply		0
Nursery schools in LEA control		
Monopoly supply		1.25
Mixed economy		0.6
Excluded		0
Primary Schools in LEA control		
% of state schools under LEA	1.25-1.0	
Secondary schools under LEA control		
% of state schools under LEA control	1.25-0.4	
FE & Polytechnics under LEA control		
Mostly LEA controlled		1.25
No control		0

Source: The Author

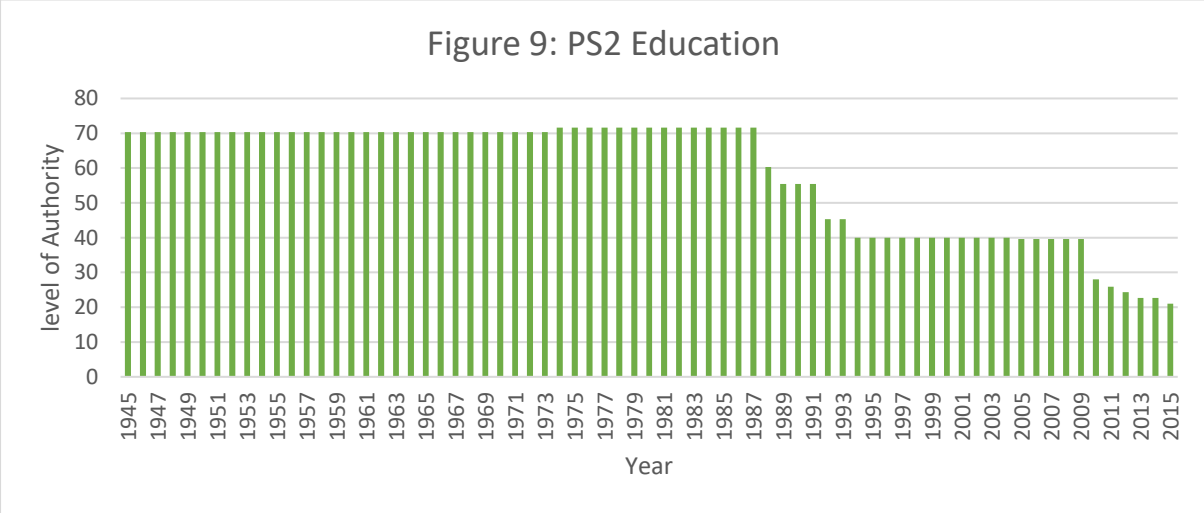
Table 22: PS2 Education - Actual				
Criterion	Year	Score	Weighted Score	Events
Curriculum				
	1945-1988	0.6		• LEAs, head teachers and teachers largely in control of the curriculum (pp. 144-145)
	1989-2015	0		• The 1988 Education Reform Act introduced the national curriculum (p.169)
School Structures				
	1945-1973	1.25		• LAs largely allowed to determine its own school structure (p.144)
	1974-1987	0.6		• In 1974 central government required LAs to submit plans for reorganisation – Circular 4/74 but rescinded by Circular 10/74 (p.169-170)
	1988-2015	0		• In 1988 the DES introduced a ban on considering LA plans for reorganising school structures (p.169-170)
Planning & building new schools				
	1945-2009	1.25		• LEAs had at least since 1945 been responsible for ensuring sufficient school were available in their area (pp.144-145)
	2010-2015	0		• The Academies Act 2010 ended LAs control over the building of state schools (p.190)
Training & support services				
	1945-1993	1.25		• Between 1945 & 1993 LEAs had a near monopoly on the provision of training & support services for schools (p.145)
	1994-2015	0.6		• The 1993 Education Act LEAs near monopoly broken. Subsequent changes in the control of local schools have opened up this market further. (p.170)
Nursery				
	1945-2015	0.6		• Although a mixed market has existed since 1945, LAs have maintained their involvement in this sector throughout the study period. (p.145)
Primary Schools in LEA control				
	1945-2010 2011-2015	1.25 1.2-1.0*		• Almost all primary schools in the state funded sector were LEA controlled or influenced (p.144) • Academy schools were established under the Education Act 2002. By 2015/2016 15% of all primary schools were academies (pp.189-190)
Secondary Schools in LEA control				
	1945-1979 1980-2001 2002-2015	1.25 1.25 1.25-0.4**		• Almost all secondary schools in the state sector were LEA controlled or influenced (p.144) • CTCs established by the Education Act 1980 but only 15 were ever opened. No change in score (p.169) • Academy schools were established under the Education Act 2002. By 2015/16 65% of all secondary schools were academies (pp.189-190)
FE & Polytechnics in LEA control				
	1945-1991 1992-2015	1.25 0		• Almost all further education under the control of LAs • The 1992 Further Education Act removed all FE colleges, Polytechnics and 6th Form Colleges from LA control (p.170)

* Actual figures taken from Table 11 ** Actual figures taken from Table 12

Source: The Author

Table 23: PS2 Education Annual Total Actual Scores		
Year	Score	Weighted Score
1945-1973	8.7	70.3
1974-1987	8.05	71.6
1988	7.45	60.3
1989-1991	6.85	55.4
1992-1993	5.6	45.3
1994-2004	4.95	40
2005-2009	4.9	39.6
2010	3.45	28
2011	3.2	25.9
2012	3	24.3
2013-2014	2.8	22.7
2015	2.6	21

Source: The Author



Source: The Author

8.2.3 Measure PS3 Social Services

8.2.3.1 Explanation

I have defined this function to cover children and adult social services, both attracting equal levels of authority. I have identified four possible levels of authority for both branches of social services.

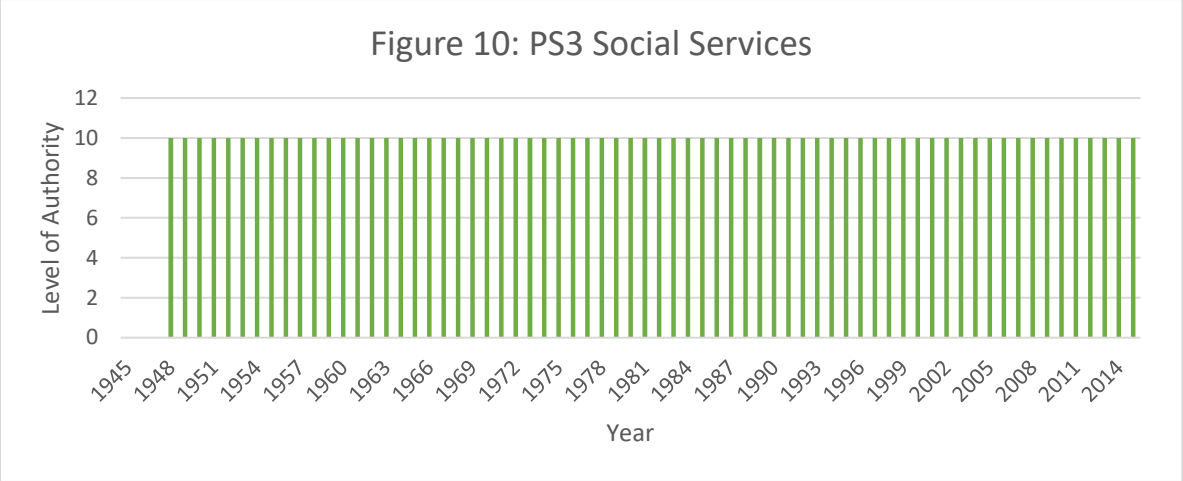
- **Significant responsibility** (5 points). In this category, local authorities would have to enjoy statutory responsibility albeit with some level of oversight from central government and its agencies. Partnership working with other agencies is possible within this category providing it is largely voluntary and does not result in the loss of sole statutory responsibility.
- **Strong shared responsibility** (3.75 points). This category would be typified by the compulsory integration of service planning and delivery through a shared delivery mechanism but with local authorities retaining equality of decision making.
- **Shared responsibility** (2.5 points). Compulsory integration of service planning and delivery through a shared delivery mechanism dominated by a third party.
- **Weak shared responsibility** (1.75points). Compulsory integration of service planning and delivery through a shared delivery mechanism but with local authorities acting only as participatory bodies without significant decision-making capabilities. This category would represent a significant reduction in authority.
- **No responsibility** (0 points). To be included within this category, local authorities would have lost all decision-making power and the primary responsibility for planning and delivering either children or adult social services would rest with other organisations.

Table 24: PS3 Social Services - Model		
Criterion	Score	Weighted Score
Children Services		
Significant responsibility	5	36.5
Strong shared responsibility	3.75	28
Shared responsibility	2.5	18.8
Weak shared responsibility	1.25	9.4
Little or no responsibility	0	0
Adult Services		
Significant responsibility	5	36.5
Strong shared responsibility	3.75	28

Source: The Author

Table 25: PS3 Social Services - Actual				
Criterion	Year	Score	Weighted Score	Events
Children's services				
	1945-1947	0	0	• There was little or no LA responsibility for children's services. (p.142)
	1948-2015	5	36.5	• The 1948 Children Act laid the foundations for local authority responsibility for children's services. There have been major changes in how local authorities plan and deliver children's services, but LA's have continued to take a significant responsibility for this service and as such the level of authority has not changed to the extent that a new categorisation is appropriate. (p.142)
Adult services				
	1945-1947	0	0	• There was little or no LA responsibility for adult services (p.142)
	1948-2015	5	36.5	• The 1948 National Assistance Act placed a duty on local authorities to provide accommodation for the 'elderly and infirm'. Adult social services have, like children's services changed dramatically since the 1940's but the responsibility and authority for this service still remains to a significant extent with LA's. (p.142) • The 1990 NHS and Community Care Act required social services departments to become purchases of private care for elderly people, but it also resulted in a reduction in the number of old people's homes provided by local authorities. Overall, the Act maintained a 'significant responsibility' for local authorities. (p.167)
Total				
	1945-1947	0	0	
	1948-2015	10	73	

Source: The Author



Source: The Author

8.2.4 Measure PS4 Police

8.2.4.1 Explanation

The model for this measure is based on capturing the level of authority exercised by councils in in comparison with Chief Constables and central government, often termed the tripartite arrangements. The highest scoring category (with a score of 10) assumes a scenario where councils are responsible for local policing, at a level similar to the control they have exercised over fire services for most of the study period. The second category (7.5) assumes the operation of the tripartite arrangements in equal partnership. The third category (5) assumes a more dominant role either of Chief Constables or Central Government compared with local government. The fourth category (2.5) assumes a significant reduction in the role of local authorities. The final category (0) assumes no responsibility for the police service.

It is my contention that local authorities have, at least since 1945, never had significant control over the police service in their locality, but they have had some control albeit shared between chief constables and the Home Office. Since the 1964 Police Act, council authority over the police has continued to decline from a level of strong shared control to a point of little or no control following the appointment of Police and Crime Commissioners in 2012.

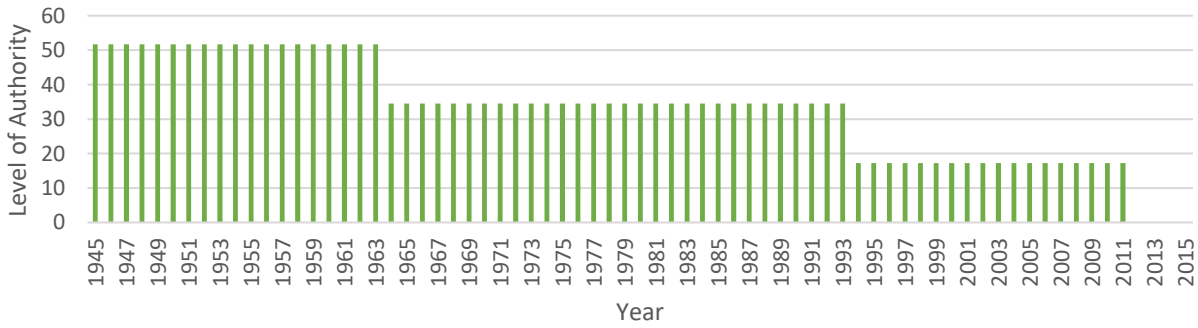
Table 26: PS4 Police - Model		
Criterion	Score	Weighted Score
Significant responsibility	10	69
Strong shared responsibility	7.5	51.75
Shared responsibility	5	34.5
Weak shared responsibility	2.5	17.25
Little or no responsibility	0	0

Source: The Author

Table 27: PS4 Police - Actual			
Year	Score	Weighted Score	Event
1945-1963	7.5	51.75	• Tripartite arrangement (pp.147-148)
1964-1985	5	34.5	• By 1964 increased intervention by the Home Office in the running of police services (p.148)
1986-1993	5	34.5	• The 1985 Prosecution of Offenders Act resulted in LAs losing their prosecution role (p.171)
1994-2011	2.5	17.25	• Reduction in the number of LA representation on Police Committees (p.171)
2012-2015	0	0	• Introduction of Police & Crime Commissioners in 2012 (p.192)

Source: The Author

Figure 11: PS4 Police



Source: The Author

8.2.5 Measure PS5 Transport

8.2.5.1 Explanation

According to Wilson and Game (2011, p. 139) transport is the most shared of all public services. In attempting to measure levels of authority for this policy area, it is clear that there has always been a shared responsibility between central government, local government, the third sector and the private sector but the level of authority reserved for local councils has changed significantly over the years. This measure, therefore, seeks to record the level of shared responsibility in three categories – high (3.3 points), medium (2 points) and low (1 point). Transport is in itself a wide subject area including traffic management, transport planning and the operation and encouragement of various modes of transport. There are, however, three key areas that are exclusively associated with this particular policy area.

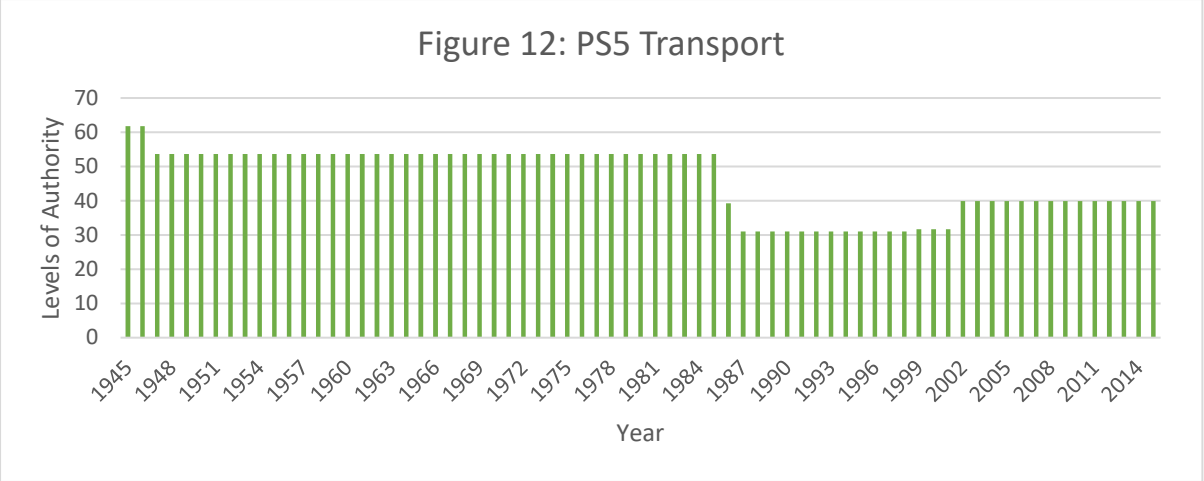
- Public Transport (excluding rail)
- Airports
- Roads

Table 28: PS5 Transport - Model		
Criterion	Score	Weighted Score
Public Transport		
High levels of shared responsibility	3.3	26
Medium levels of shared responsibility	2	15.8
Low levels of shared responsibility	1	7.9
Airports		
High levels of shared responsibility	3.3	26
Medium levels of shared responsibility	2	15.8
Low levels of shared responsibility	1	7.9
Roads		
High levels of shared responsibility	3.3	26
Medium levels of shared responsibility	2	15.8
Low levels of shared responsibility	1	7.9

Source: The Author

Table 29: PS5 Transport – Actual				
Criterion	Year	Score	Weighted Score	Event
Public Transport				
	1945-1984	3.3	26	• A large number of mostly Borough Councils operated bus services during this period (p.81)
	1985-2015	1	7.9	• The 1985 Transport Act abolished the bus licensing system and made it unlawful for local authorities to directly operate bus transport undertakings. London received regulatory powers in 1999 (p.96)
Airports				
	1945-1985	3.3	26	• Approximately 50 airports were owned by local authorities during this period (p.81)
	1986-2015	2	15.8	• Airports Act 1986 forbade local authorities from directly owning airports (p.96)
Roads				
	1945	3.3	26	• The transfer of some roads from local government to central government had already taken place by 1945 however there was still a high level of shared responsibility invested in local authorities (p.81)
	1946-2001	2	15.8	• 1946 Trunk Roads Act resulted in 3,000 miles of roads transferred from local authorities to the Ministry of Transport leaving local authorities with medium levels of shared responsibility (p.108)
	2002-2015	3.3	26	• Transfer of roads to LAs as part of the 'detrunking' programme which begun in 1997 resulted by 2001 in local authorities returning to high levels of shared responsibility (p,108)
Total				
	1945	10	78	
	1946-1984	8.6	67.8	
	1985	6.3	49.7	
	1986-2001	5	39.5	
	2002-2015	6.3	49.7	

Source: The Author



Source: The Author

8.2.6 Measure PS6 Utilities

8.2.6.1 Explanation

This measure is a simple calculation of the share of local authority ownership of the four utilities of electricity, gas, water and sewerage as shown by Robson (1966, pp. 20-24) and Jordan et al.(1977, p.317)

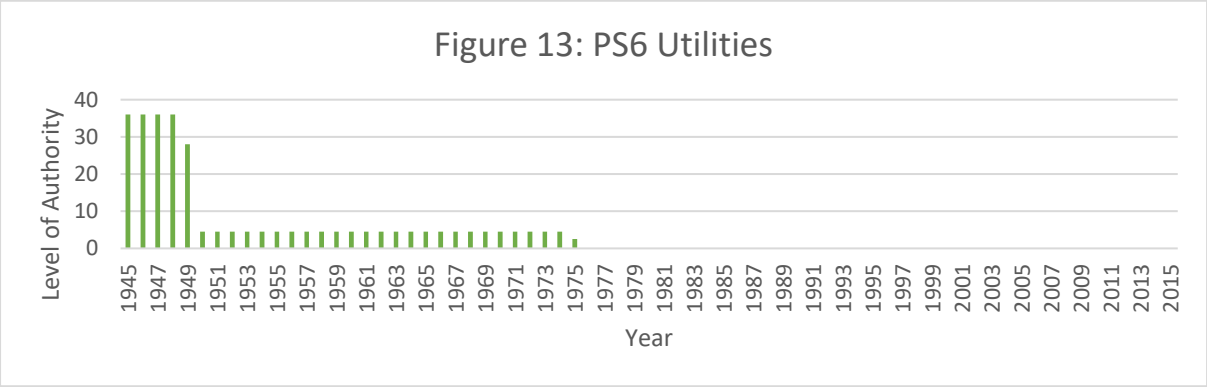
Table 30: Measure PS6 Utilities - Model

Type of Utility	% of Market	Score	Weighted Score
Electricity	0 – 100%	0 – 2.5	0 - 16.25
Gas	0 – 100%	0 - 2.5	0 – 16.25
Water	0 – 100%	0 – 2.5	0 – 16.25
Sewerage	0 – 100%	0 – 2.5	0 - 16.25

Source: The Author

Table 31: Measure PS6 Utilities - Actual					
Type of Utility	Year	% of Market	Score	Weighted Score	Event
Electricity					
	1945-1948	66%	1.6	10.4	
	1949-2015	0%	0	0	• The Electricity Act 1947 nationalised the electricity service. (p.136)
Gas					
	1945-1949	37%	0.8	5.2	
	1950-2015	0%	0	0	• The Gas Act 1948 deprived 274 councils of their municipal undertakings. (p.136)
Water					
	1945-1974	80%	2	13	
	1975-2015	0%	0	0	• Water Act 1973 nationalised the water industry (p.136)
Sewerage					
	1945-1974	100%	2.5	16.25	
	1975-2015	0%	0	0	• As above (p.136)
Total					
	1945-1948		6.9	45.5	
	1949		5.3	35	
	1950-1974		4.5	29.7	
	1975-2015		0	0	

Source: Robson (1966, pp. 20-24) and Jordan et el. (1977, p.14) Compiled by the Author.



Source: Robson (1966, pp. 20-24) and Jordan et el. (1977, p.14) Compiled by the Author.

8.2.7 Measure PS7 Health

8.2.7.1 Explanation

This measure looks at four areas of health, covering curative health, mental health, public health and the ambulance service. Council responsibility for curative health and the ambulance service both changed dramatically through the transfer of all functions to the NHS

and thus the measure for both these areas is binary (Significant responsibility (2.5 points)/no responsibility (0 points)). Mental health and public health are more nuanced in terms of local authorities' responsibilities and, therefore, a bigger range of possible scores is provided, namely, significant responsibilities (2.5 points), strong shared responsibilities (1.6 points), weak shared responsibilities (0.8 points), and no responsibilities (0 points).

Table 32: PS7 Health - Model

Criterion	Score	Weighted score
Curative health		
Significant responsibility	2.5	20.5
No responsibility	0	0
Mental health		
Significant responsibility	2.5	20.5
Strong shared responsibility	1.6	13.1
Weak shared responsibility	0.8	6.6
No responsibility	0	0
Public health		
Significant responsibility	2.5	20.5
Strong shared responsibility	1.6	13.1
Weak shared responsibility	0.8	6.6
No responsibility	0	0
Ambulance service		
Responsibility	2.5	20.5
No responsibility	0	0

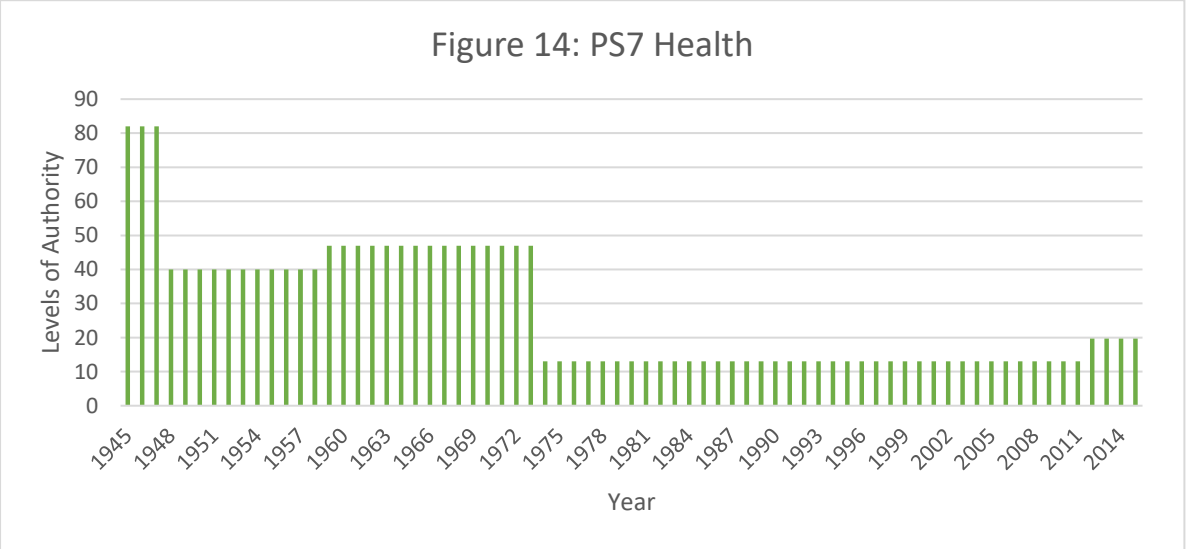
Source: The Author

Table 33: PS7 Health – Actual				
Criterion	Year	Score	Weighted score	Events
Curative health				
	1945-1947	2.5	20.5	• Local Authorities were the main providers of health care in the UK (p.139)
	1948-2015	0	0	• Establishment of the NHS in 1948 all local authority hospitals were transferred to the ne NHS (p.139)
Mental health				
	1945-1947	2.5	20.5	• Mental Health including hospitals largely the responsibility of local authorities (p.139)
	1948-1958	0.8	6.6	• Mental Health hospitals transferred from local authorities to the NHS in 1948 (p.139)
	1959-2015	1.6	13.1	• The 1959 Mental Health Act resulted in a greater shift from hospital care to community care often provided by local authorities. The intention was to develop community-based services, but this has not been achieved and a shared arrangement between the NHS and local authorities has continued ever since (p.139)
Public health				
	1945-1947	2.5	20.5	• Local Authorities were the main providers of public health services during the period (p.139)
	1948-1973	1.6	13.1	• Public health function retained by LAs under a local Medical Officer of Health (MOH). Existing hospitals and clinics transferred to the NHS (p.139)
	1974-2011	0	0	• The 1973 NHS Reorganisation Act removed all but environmental health duties to health authorities and ended the role of MOHs (p.139) • This period is described as one of decline and of reduced power and influence
	2012-2015	0.8	6.6	• The Health and Social Care Act 2012 became a major catalyst in the' return of public health' to local government (pp.186-187)
Ambulance service				
	1945-1973	2.5	20.5	• Local authorities largely responsible for local ambulance service
	1974-2015	0	0	• Local authority ambulance service taken over by the NHS as a result of the National Health Service Reorganisation Act 1973. (p.166)

Source: The Author

Table 34: PS7 Health – Actual Annual Total Actual Scores		
Year	Score	Weighted Score
1945-1947	10	82
1948-1958	4.9	40
1959-1973	5.7	47
1974-2011	1.6	13
2012-2015	2.4	19.7

Source: The Author



Source: The Author

8.2.8 Measure PS8 Housing

8.2.8.1 Explanation

Since 1945, local authorities have never exercised exclusive control over social housing, but they have, at times, enjoyed significant freedoms over their homelessness function and how they manage their housing stock. Rather than give specific scores to each criterion I have provided for a range of scores in order to capture and reflect all the important housing events noted in Chapter 6. I have identified five categories of authority:

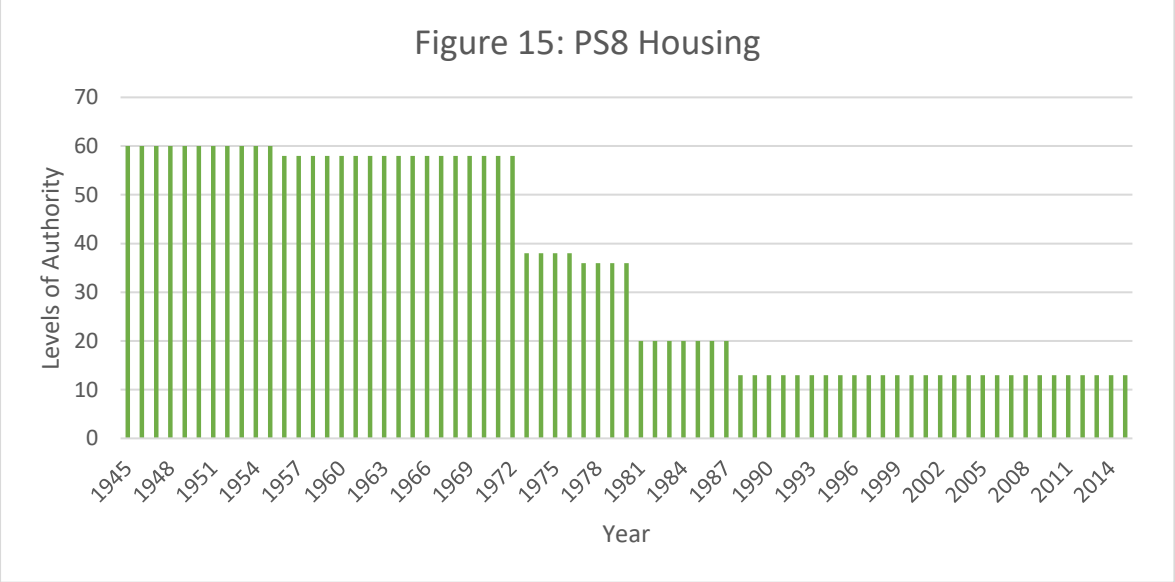
- Extensive local control over housing whereby local authorities have a leading role in providing new social housing and considerable freedom in terms of managing their stock and addressing their homelessness function (8-10 points).
- Strong shared control exists when central government exercises a high level of strategic control over the housing function, but significant freedoms still exists at the local level (6-8 points).
- Weak shared control is typified by strong centrally derived strategic control and central intervention in local implementation including housing management and homelessness (4-6 points).
- Limited control occurs when local authority involvement in social housing becomes more restricted and the remaining functions are prescribed by the centre (2-4 points).
- Little or no local control occurs when local authorities only have a residual or no role in social housing and all other functions are proscribed (0-2 points).

Table 35: PS8 Housing - Model		
Criterion	Score Range	Weighted Score
Extensive local control over housing	8-10	66.4 - 83
Strong shared control over housing	6-8	49.8 – 66.4
Weak shared control over housing	4-6	33.2 – 49.8
Limited local control over housing	2-4	16.6 – 33.2
Little or no control	0-2	0 – 16.6

Source: The Author

Table 36: PS8 Housing – Actual			
Year	Score	Weighted Score	Event
1945-1955	6	49.8	• Post war housing priority (p.140). Strong shared control over housing.
1956-1972	5.8	48	• Less favourable funding arrangements (p.140). Weak shared control over housing.
1973-1976	3.8	31.5	• 1972 Housing Finance Act took away council's authority to set rent levels (p.141). Limited local control over housing.
1977-1980	3.6	29.9	• Central prescription on homelessness with the Housing and (homeless Persons) Act 1977 (p.167). Limited local control over housing.
1981-1987	2	16.6	• Increase in Right to Buy as a result of Local Government Act 1980 (p.166). Limited local control over housing.
1988-2015	1.3	10.8	• LSVT introduced with the Housing Act 1988 (p.166). Little or no control over housing.

Source: The Author



Source: The Author

8.2.9 Measure PS9 Planning

8.2.9.1 Explanation

The Planning function includes development management, development plans and regional planning. The measurement of the planning function centres around the ability of local

councils to control or encourage development within their territories as they deem appropriate. Restrictions on this ability come in three forms. The first restriction is to remove council control over development in certain geographical areas. The second is to remove controls over certain types of development. The third restriction is for central government to limit the choices available for local authorities to determine planning applications and prepare development plans. Regarding the second restriction, there are certain central government controls that have existed over the entire study period. These include the ministerial prerogative to determine planning applications (call in powers) the right of appeal for planning applicants to be determined by a government agency and central government guidance to local planning authorities on how to determine planning applications and prepare development plans.

The extent of these restrictions varies over time but to measure these differences in terms of levels of authority would be extremely complex and has not been attempted. The fourth restriction concerns the introduction of an additional, regional tier of planning guidance controlled by central government. Such central controls are different than general government guidance as they introduce a greater spatial specificity.

The restrictions on local control of development include the following:

- Removal of local control in specified spatial areas
- Removal of local control of certain types of development
- Controls on local development as a result of statutory regional plans approved by the Secretary of State.

The planning model is scored on the basis of the number of restrictions that exist at any given time. The model also takes account of the pre 1947 planning system that, although not subject to any of the identified restrictions, was limited in its scope and impact. This approach is

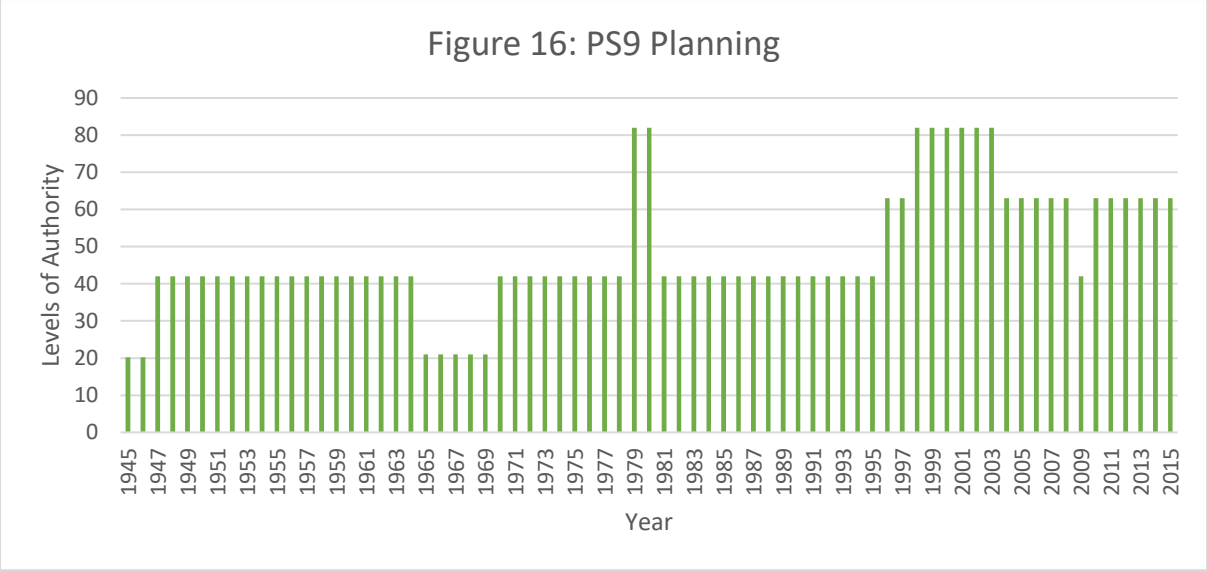
similar to the scoring method used by Hoogue et al. (2010, p.17) in the construction of their policy scope measure as explained at p.116 of this thesis.

Table 37: Measure PS9 - Planning Model			
Criterion	Range	Score	Weighted Score
Unrestricted local control over development (no restrictions)		10	84
Limited restriction on local control over development (one restriction)		7.5	63
Enhanced restriction on local control over development (two restrictions)		5	42
Extensive restrictions on local control over development (three restrictions)		2.5	21
Limited responsibility	0 – 2.4		0 – 20.2

Source: The Author

Table 38: Measure PS9 Planning - Actual			
Year	Score	Weighted Score	Event
1945 -1946	2.4	20.2	
1947-1964	5	42	• Establishment of the new planning system as a result of the 1947 Town and Country Planning Act. First New Towns commence as a result of the 1946 New Towns Act. IDCs introduced (pp. 137-138)
1965-1969	2.5	21	• Introduction of ODPs in1965 (p.137)
1970 -1978	5	42	• Last New Town designation in 1970 (p.137)
1979-1980	10	84	• In 1979 IDCs abolished and IDCs suspended (p.164)
1981-1995	5	42	• Introduction of EZs and UDCs in 1980 as a result of the Local Government Planning and Land Act 1980 (p.164)
1996- 1997	7.5	63	• Last EZ designated (p.164)
1998 -2003	10	84	• UDCs abolished by the Urban Development Corporations in England (Area and Constitution) Order 1998 (p.185)
2004-2008	7.5	63	• Regional planning put on a statutory footing (p.185)
2009	5	42	• Infrastructure Planning Commission established in 2009 (p.186)
2010-2015	7.5	63	• Regional planning abolished in 2011 (p.185)

Source: The Author



Source: The Author

8.2.10 Measure PS10 Fire

8.2.10.1 Explanation

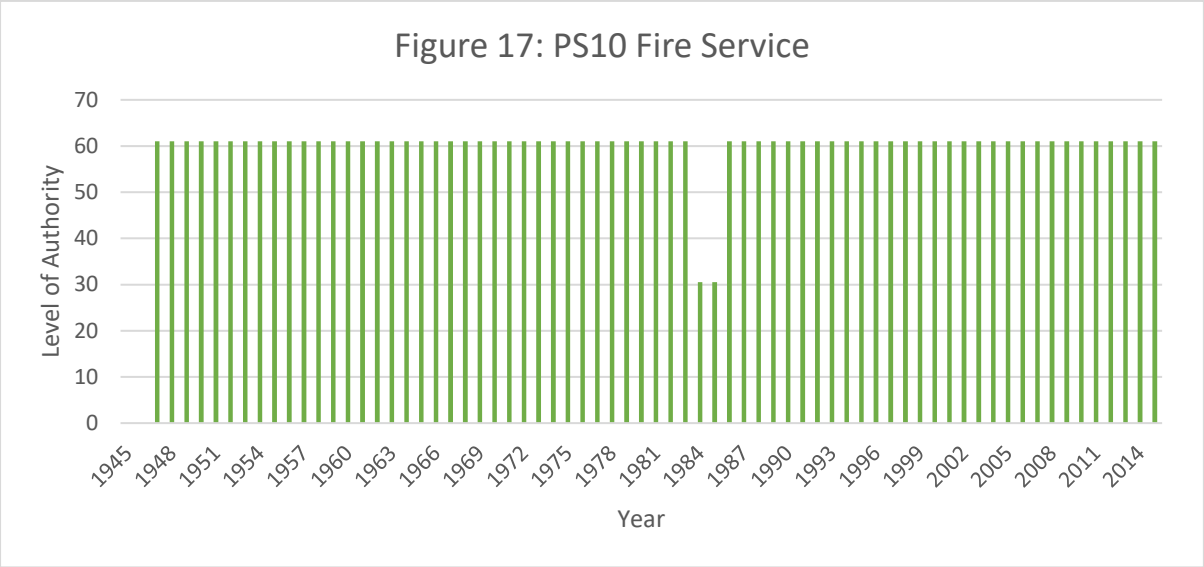
Between 1945 and 1947, the fire service throughout the UK continued as a single National Fire Service, which had been established during the Second World War. The organisation and responsibility for English fire services has been remarkably stable since 1947. The only time since 1947 that a fire service was not controlled by locally elected councillors was in London between 1984 and 1986 when it was run by the Home Office.

Table 39: Measure PS10 Fire - Model		
Criterion	Score	Weighted Score
No fire services controlled by local authorities	0	0
Mixed control of fire services	5	30.5
All fire services controlled by local authorities	10	61

Source: The Author

Table 40: Measure PS10 Fire – Actual			
Year	Score	Weighted Score	Event
1945-1946	0	0	• Fire services nationalised (p. 148)
1947-1983	10	61	• In 1947 fire services returned to local control (p.148)
1984-1985	5	30.5	• London fire service controlled by Home Office (p. 172)
1986-2015	10	61	• In 1986 London fire service returned to local democratic control (p.172)

Source: The Author



Source: The Author

8.3 Financial Autonomy

8.3.1 Measure FA1 Setting the Base of Local Taxes

8.3.1.1 Explanation

I have defined this measure to cover the ability to introduce local taxation systems as well as the authority to determine the base rate or valuation of what is to be taxed and, finally, whether local authorities have any discretion to determine who/what can be taxed. The first criterion records if local authorities are free to determine their local taxation system (3.3 points if they can and 0 points if they cannot). The same arrangement relates to the second

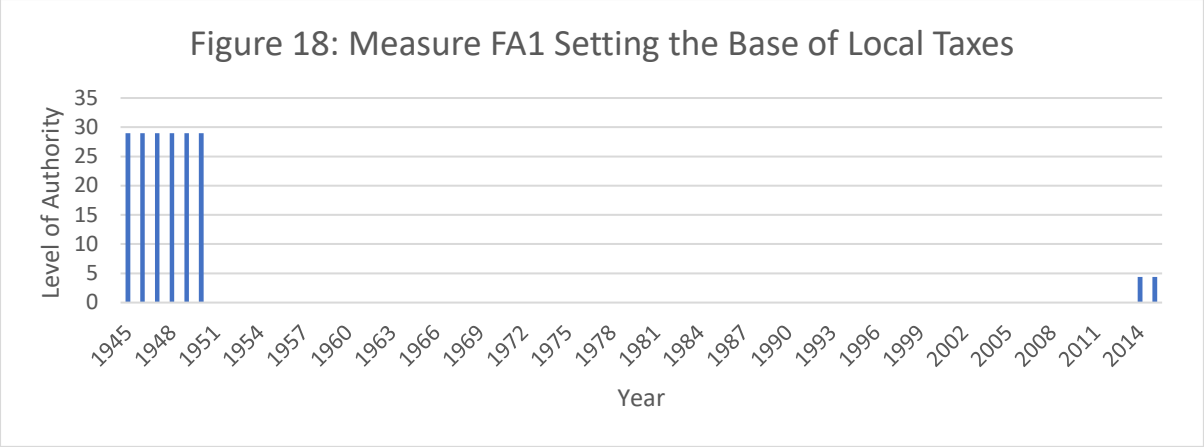
criterion covering the valuation of property for taxation purposes. The third criterion is given a range of scores (0–3.3) in order to capture and reflect any changes in the discretion of local authorities to levy additional taxes.

Table 41: Measure FA1 Setting the Base of Local Taxes - Model		
Criterion	Range	Weighted Score
Freedom to determine local taxation system	0 or 3.3	0 or 29
Valuation of property for taxation purposes	0 or 3.3	0 or 29
Discretion to levy additional taxes	0-3.3	0 - 29

Source: The Author

Table 42: Measure FA1 Setting the Base of Local Taxes - Actual			
Year	Score	Weighted Score	
Freedom to determine local taxation system			
1945-2015	0	0	
Valuation of property for taxation purposes			
1945-1949	3.3	29	
1950-2015	0	0	• Valuation transferred from local authorities to the Inland Revenue as a result of the Local Government Act 1948. (p.149)
Discretion to levy additional taxes			
1945-2013	0	0	
2013-2015	0.5	4.4	• Councils allowed to increase local taxation on long term empty properties under the Local Government Finance Act 2012 (p.194)
Total			
1945 - 1949	3.3	29	
1950-2012	0	0	
2013 - 2015	0.5	4.4	

Source: The Author



Source: The Author

8.3.2 Measure FA2 Setting the Rate of Local Taxes

8.3.2.1 Explanation

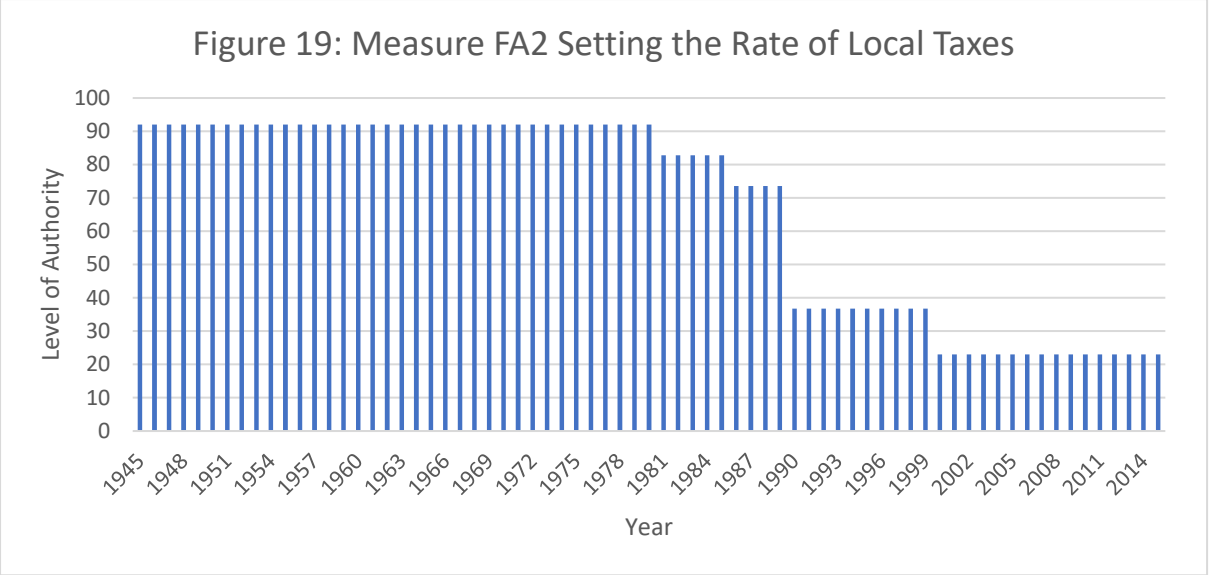
Throughout the study period there have been two broad types of local taxation - a tax on residential property and a tax on local business premises. This measure considers the restrictions and freedoms local authorities have, to set the rate of both taxes. The six criteria range from freedom to set the rate for taxes through to a generalised restriction on local authorities, covering both domestic and nondomestic taxation. This measure could have been operationalised by simply using a binary approach i.e., freedom to set the rate of tax or central restrictions. However, this approach does not capture the different impact of selective restrictions and generalised restrictions. In order to achieve this, I include two additional criteria to cover selective restrictions on business tax and domestic tax and score them slightly below the total freedom criteria. The first two criteria recognise a situation where there is no interference from central government in the setting of both local property taxes (5 points for each). The third and fourth criteria reflects a situation where there are some central restrictions (4 points for both). The final two criteria assume general restrictions on local authority tax setting (2.5 points for both).

Table 43: Measure FA2 Setting the Rate of Local Taxes - Model		
Criterion	Score/Range	Weighting
Total freedom to set the rate of domestic property tax	5	46
Total freedom to set the rate of local business tax	5	46
Selective restrictions on the ability of local authorities to set the rate of domestic property tax	4	36.8
Selective restriction on the ability of local authorities to set the rate of local business tax	4	36.8
Generalised restrictions on the ability of local authorities to set the rate of domestic property tax	2.5	23
Generalised restrictions on the ability of local authorities to set the rate of local business property tax	2.5	23

Source: The Author

Table 44: Measure FA2 Setting the Rate of Local Taxes - Actual			
Year	Score	Weighted Score	Events
1945-1980	10	92	
1980-1985	9	82.8	• Power to set a supplementary rate abolished by the Local Government and Planning Act 1980 (p.173)
1985-1990	8	73.6	• Selective rate capping came into effect in 1985 as a result of the Rates Act 1984 (p.173)
1990-1998	4	36.8	• The local Government Finance Act 1988 removed local authority powers to set the rate of non-domestic rates (p.173)
1999 -2015	2.5	23	• The Local Government Act 1999 brought about universal capping (p.194)

Source: The Author



Source: The Author

8.3.3 Measure FA3 Control Over Revenue and Capital Spend

8.3.3.1 Explanation

The model identifies a range of possible central government controls over local government revenue and capital spending. The model is slightly complicated by the existence of central grant sanctions if local government 'overspends'. Such a situation is not as straight forward in terms of authority as direct controls, since local authorities have the choice to forgo a proportion of government grant but there is no such choice in terms of expenditure limits.

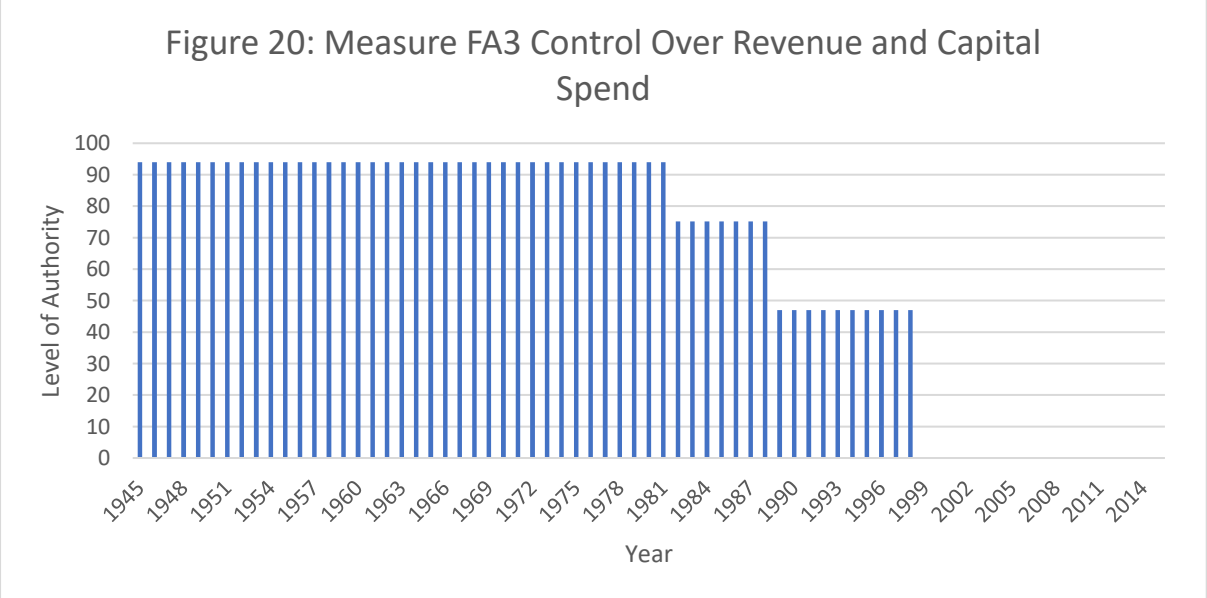
The first criterion reflects a situation where there is no central control over local authority revenue and capital spend (10 points). The second criterion envisages a situation where central government applies or threatens to apply sanctions if councils 'overspend' (8 points). The third and fourth criterion applies when central government limits council spending on revenue or capital spending respectively (both score 5 points). The final criterion applies when controls are imposed for both capital and revenue pending (0 points).

Table 45: Measure FA3 Control Over Revenue and Capital Spend - Model		
Criterion	Score	Weighting
No central control over local authority revenue and capital spend	10	94
Sanctions but not control over capital and revenue spend	8	75.2
Controls over capital spend only	5	47
Controls over revenue spend only	5	47
Controls over capital and revenue spend	0	0

Source: The Author

Table 46: Measure FA3 Control Over Revenue and Capital Spend - Actual			
Year	Score	Weighted Score	Events
1945 - 1981	10	94	• Little central control over revenue and capital spend (p.152)
1982-1988	8	75.2	• Expenditure limit introduced through the Local Government and Finance Act 1982 (p.174)
1989-1998	5	47	• Further restrictions on capital expenditure as a result of the Local Government & Housing Act 1989 (p.174)
1999-2015	0	0	• Local Government Act 1999 brought in central controls on overall budgets (p.195)

Source: The Author



Source: The Author

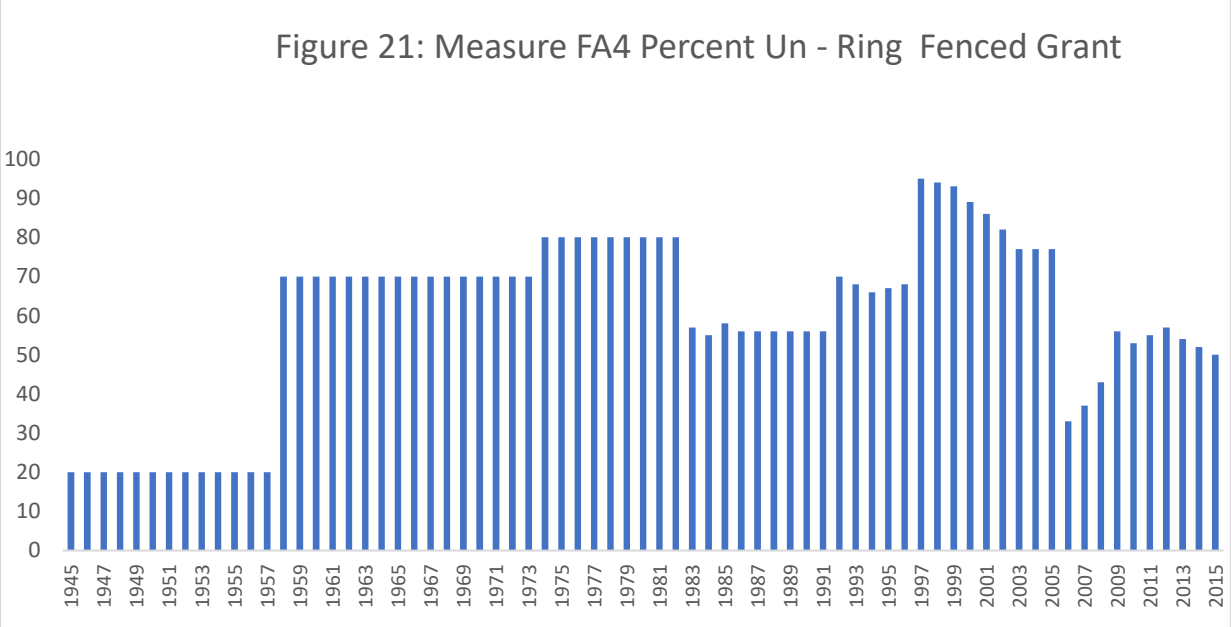
8.3.4 Measure FA4 Ring-Fencing of Government Grants

8.3.4.1 Explanation

This measure captures the amount of government grant transferred to local authorities that is ring fenced. The source of the statistics for the period 1983–2015 comes from the annual Local Government Financial Statistics England and Annex D of Local Government Financial Statistics England No.10 (1999, p.117) which provides a summary for the period 1945–1982. The score is calculated by simply dividing the percentage of government grants that are ring-fenced by ten. There is no model for this measure as it simply draws from the available statistics without further manipulation. Furthermore, there is no events column due to the large number of figures included in this table, but reference should be made to pages, 151, 174-175 and 195-196.

Table 47: Measure FA4 Ring Fencing of Government Grants - Actual		
Year	Score	Weighted Score
1945-1957	2	17.2
1958-1973	7	60.2
1974-1982	8	68.8
1983	5.7	49
1984	5.5	47.3
1985	5.8	50
1986-1991	5.6	48.2
1992	7	60.2
1993	6.8	58.5
1994	6.6	56.8
1995	6.7	57.6
1996	6.8	58.5
1997	9.5	81.7
1998	9.4	80.8
1999	9.3	80
2000	8.9	76.5
2001	8.6	74
2002	8.2	70.5
2003-2005	7.7	66.2
2006	3.3	28.4
2007	3.7	31.8
2008	4.3	37
2009	5.6	48.2
2010	5.3	45.6
2011	5.5	47.3
2012	5.7	49
2013	5.4	46.4
2014	5.2	44.7
2015	5.0	43

Source: 1945 – 1982 DETR (1999, Annex D). 1983 – 2015 Local Government Financial Statistics England (1989 – 2015). Compiled by the Author.



Source: 1945 – 1982 DETR (1999, Annex D) 1983 – 2015. Local Government Financial Statistics England (1989 – 2015). Compiled by the Author.

8.3.5 Measure FA5 Freedom to Borrow

8.3.5.1 Explanation

Bailey et al. (2012, pp. 215 - 217) have developed four models for the control of local government borrowing that have proved very useful as a starting point in distributing scores for the development of this measure:

- Local political discipline and control model
- Market discipline and control model
- Professional discipline and control model
- Centralised discipline and control model

The first model represents the highest level of authority (10 points). Only the electorate can sanction the ability of councils to borrow. The second and more common model for most

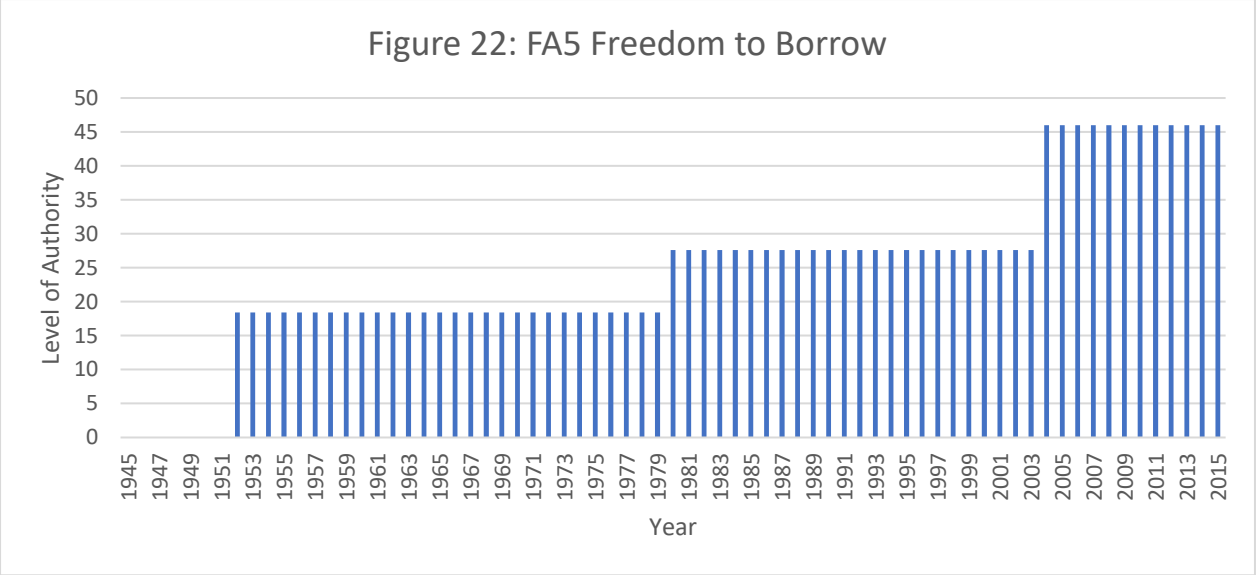
organisations is when the market decides if it wishes to lend based on the financial strength of the borrower (9 points). The third model is typified by the Prudential Borrowing Framework as set out at page 196. In the model set out in Table 48, I divide the professional discipline and control model into two criteria in order to take account of any central government veto. The professional discipline model without a central veto is awarded 7 points but the presence of a veto brings the score down to 5 points. The final model is the centralised discipline and control model whereby local government needs to obtain permission from central government to borrow. In order to reflect the nuances of English local government between 1945 and 2015, I have divided this model into three criteria. The first centralised discipline and control model criterion envisages no loan sanction and is awarded 3 points. The second centralised discipline criterion envisages a situation where partial loan sanction is applied. In other words, local authorities have the opportunity to borrow from sources where loan sanctions are not applied (2 points). The final criterion is applied when sources of loans are specified by central government and loan sanctions are applied (0 points).

Table 48: Measure FA5 – Freedom to Borrow - Model		
Criterion	Score	Weighted Score
Local political discipline and control model with no central veto	10	92
Market discipline and control model with no central veto	9	82.8
Professional discipline and control model with no central veto	7	64.4
Professional discipline and control model with central veto	5	46
Centralised discipline and control model but no loan sanction	3	27.6
Centralised discipline and control model including loan sanction but alternative borrowing sources	2	18.4
Centralised discipline and control model including loan sanction and specification of borrowing source	0	0

Source: The Author

Table 49: Measure FA5 – Freedom to Borrow - Actual			
Year	Score	Weighted Score	Events
1945-1951	0	0	• Loan sanction required from central government throughout this period (pp.152-153)
1952-1979	2	18.4	• Requirement to borrow from PLB eased in 1952 (pp.152-153)
1980-2003	3	27.6	• Requirement for loan sanction eased as a result of the Local Government Planning & Housing Act 1980 (p.175)
2004- 2015	5	46	• Local Government Act 2003 introduced prudential borrowing (p.196)

Source: The Author



Source: The Author

8.4 Operational Freedom

8.4.1 Measure OF1 Audits and Inspections

8.4.1.1 Explanation

Davis et al. (2001) provide a very useful analysis of UK inspection regimes that are capable of being considered in the context of a continuum that exhibits certain characteristics, typologies, and styles. The first typology, which I have called consultancy (Davis calls it supportive), is generally seen as supportive, capacity building and about persuasion rather than enforcement. In other words, the authority to change largely rests with the local authority and, in most cases, failure to comply has little consequences. The second type of audit/inspection I have called policing (Davis calls it punitive) and is characterised by rule based procedures, rule enforcement, being punitive (including naming and shaming) and involving sanctions.

Audits and inspections of local authorities broadly cover two areas - service inspections and corporate inspections. In Chapter 6 (pp. 153-155), I identified five service areas that have been subject to external inspections. In 1997, an additional service inspection was introduced

to cover the Benefits Service. This model takes forward the two types of inspections i.e. service, and corporate and applies Davis et al. analysis.

Service inspections are considered under four categories. The first category envisages a situation where all service inspections are carried out on a consultancy basis (5 points). The second and third categories take into account the changing nature of service inspections. The second category places the emphasis on consultancy type inspections (3.4 points) whereas the third category emphasises policing type inspections (1.6 points). The final category covers a situation where all service inspections are carried out on a policing basis (0 points.

Corporate inspections part of this model has three categories. The first category envisages a situation where there are no corporate inspections (5 points). The second category envisages that corporate inspections are carried out on a consultancy basis (2.5 points). The final category covers a situation where corporate inspections are carried on a policing (0 points).

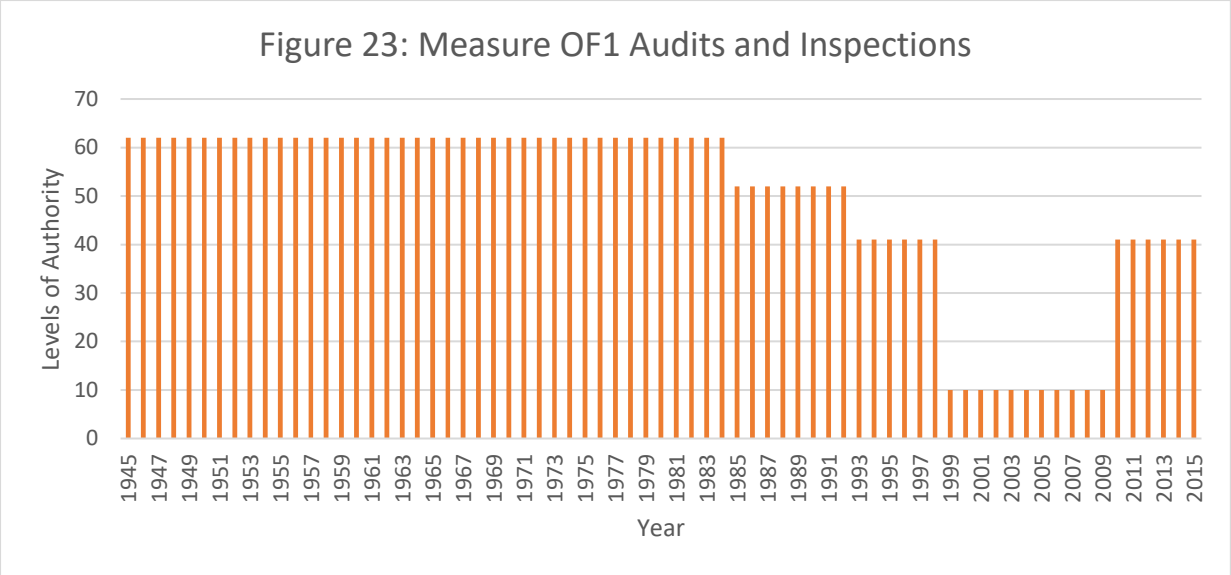
Table 50: Measure OF1 Audit & Inspection - Model

Criterion	Score	Weighted Score
Service Inspections		
100% consultancy service inspections carried out	5	31
Majority of service inspections carried out on a consultancy basis % the minority on a policing basis	3.4	21
Minority of service Inspection carried out on a consultancy basis and the majority on a policing basis	1.6	10
No consultancy service Inspection 100% policing inspection	0	0
Corporate Inspections		
No Corporate Inspection	5	31
Consultancy Corporate Inspection	2.5	15.5
Policing Corporate Inspection	0	0

Source: The Author

Table 51: Measure OF1 Audit &Inspection- Actual			
Year	Score	Weighted Score	Event
1945-1984	10	62	• No corporate inspections and only consultancy service inspections (pp. 153-154)
1985 -1992	8.4	52	• SSI established (p.177)
1993-1996	6.6	41	• OFSTED established in 1992. First inspection in 1993 (p.177)
1997-1998	6.6	41	• BFI established in 1997 (p.177)
1999-2003	1.6	10	• Best Value introduced in 1999. CPA introduced in 2002 and CAA in 2009 (p.197)
2004-2009	1.6	10	• HMFSI abolished and replaced with AC in 2004 (p.199)
2010-2015	6.6	41	• CAA abolished in 2010. External Fire Service inspection ended in 2010 (p.198)

Source: The Author



Source: The Author

8.4.2 Measure OF2 Political Freedoms & Intervention

8.4.2.1 Explanation

In measuring political freedoms and intervention, I have identified five distinct areas of interest:

- Surcharges

- Political Controls
- Intervention
- Controls over internal organisation
- External controls over members conduct

Surcharges

The measure reflects the three changes that have taken place to the rules governing the surcharging of individual councillors:

- Councillors can be surcharged on the basis of negligence and misconduct (0 points)
- Councillors can only be surcharged on the basis of wilful misconduct (1 point)
- No surcharging (2 points)

Political Controls

This part of measure OF2 seeks to capture the instances when central government attempts to stifle the political expression of elected councillors in relation to the freedom of local authorities to express contrary political and moral views to those held by central government. I have identified three specific issues:

- Restrictions on opposing central government using council resources
- Restrictions on issuing publicity
- Restrictions in promoting a lawful moral position

This part of the model offers a binary choice for each of the three issues, i.e. whether the restrictions exist (giving a score of 0.6) or not (giving a score of 0).

Intervention

In considering the capture of the effect of intervention on the authority of local government, there are two distinct categories, namely, service level intervention and corporate intervention. For both categories, there are three possibilities: limited (1 point), restrained (0.5 points), and extensive (0 points) intervention.

Controls Over Internal Organisation

Leach et al. (2018, p.107) note that up until the 1980s councils were 'largely' free to organise and manage themselves in relation to

- Organising their decision-making structures
- Organise their management arrangements
- To run the services for which they were responsible

The second and third issues are considered under Measure OF4 – Local Appointments - Terms and Conditions, leaving the organisation of decision-making structures the focus of Measure OF2. This part of the measure contains two possibilities. The first possibility is that local government is free to determine its own decision-making structures (2 points) while the second possibility is that the structures derive from central government (0 points).

External Controls Over Members Conduct

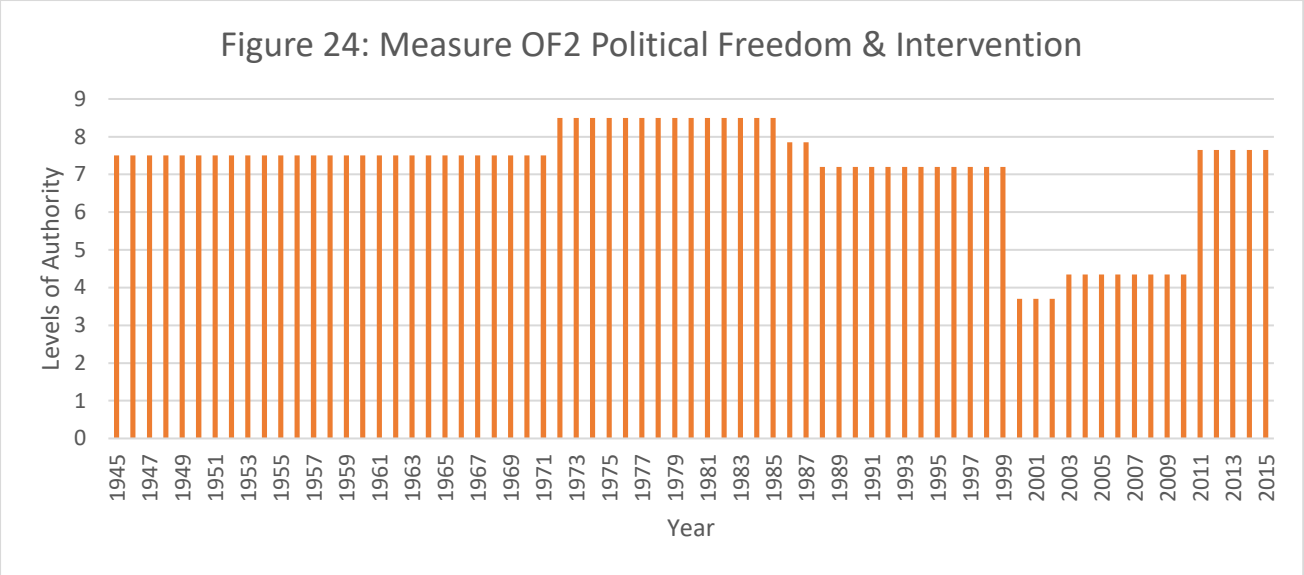
It is not disputed that there needs to be some controls over the conduct of local councillors, for example, financial probity, but the point at issue is who or what is responsible for them. The scoring of this criteria reflects the view that a higher level of authority would be achieved if the conduct of councillors were judged locally (2 points) rather than by a national body (0 points).

Table 52: Measure OF2 Political Freedom and Intervention - Model		
Criterion	Score	Weighted Score
Surcharging		
No surcharging	2	16
Surcharging only for wilful misconduct	1	8
Surcharging for negligence and misconduct	0	0
Political Controls		
No restriction in opposing central government	0.66	5.2
Restrictions in opposing central government	0	0
No restriction on issuing publicity	0.66	5.2
Restrictions on issuing publicity	0	0
No restriction in promoting lawful moral position	0.66	5.2
Restrictions in promoting a lawful moral position	0	0
Intervention		
Limited Service Intervention	1	8
Restrained Service Intervention	0.5	4
Extensive Service Intervention	0	0
Limited Corporate Intervention	1	8
Restrained Corporate Intervention	0.5	4
Extensive Corporate Intervention	0	0
Controls over internal organisation		
Local government derived controls over decision making structures	2	16
Central government derived controls over decision making structures	0	0
External controls over members conduct		
Consensual or local controls over members conduct	2	16
Imposed external controls on members conduct	0	0

Source: The Author

Table 53: Measure OF2 Political Freedom and Intervention – Actual				
Criterion	Year	Score	Weighted Score	Events
Surcharging				
	1945-1971	0	0	• Councillors could be surcharged for carrying out expenditure that was either illegal or unreasonable (p.155)
	1972-1999	1	8	• The Local Government Act 1972 changed the reasons for applying surcharging from 'negligence and misconduct' to 'wilful misconduct' (p.155)
	2000-2015	2	16	• Surcharging abolished as a result of the Local Government Act 2000 (p.200)
Political Controls				
	1945-1985	2	16	• No restrictions (p.155)
	1986-1987	1.35	10.8	• The Local Government Act 1986 introduced a ban on councils opposing central government, using council resources (p. 178-179)
	1988-2002	0.7	5.6	• Section 28 Local Government Act 1988 were forced by law to take a particular moral position on a social issue (p. 178-179)
	2003-2010	1.35	10.8	• Section 28 repealed as a result of the Local Government Act 2003 (p.200)
	2011-2015	0.65	5.2	• 2011 code on local authority publicity introduced (p.201)
Intervention				
	1945-1999	1.5	12	• Limited corporate & restrained service intervention (pp. 155-156)
	2000-2015	1	8	• New powers of intervention established with the Local Government Act 1999 (p.199)
Internal controls				
	1945-1999	2	16	• Local determination (p.155)
	2000-2010	0	0	• Local Government Act 2000 abolished the committee system (p.201)
	2011-2015	2	16	• Localism Act 2011 restored choice on internal organisation (p.201)
Members Conduct				
	1945-1999	2	16	• Local controls (p.155-156)
	2000-2010	0	0	• Standards Board for England established in 2000 (p.200)
	2011-2015	2	16	• Abolition of Standards for England by the Localism Act 2011 (p.200)
Total Score				
	1945-1971	7.5		
	1972-1985	8.5		
	1986-1987	7.85		
	1988-1999	7.2		
	2000-2002	3.7		
	2003-2010	4.35		
	2011-2015	7.65		

Source: The Author



Source: The Author

8.4.3 Measure OF3 Ultra-Vires and the General Power of Competence

8.4.3.1 Explanation

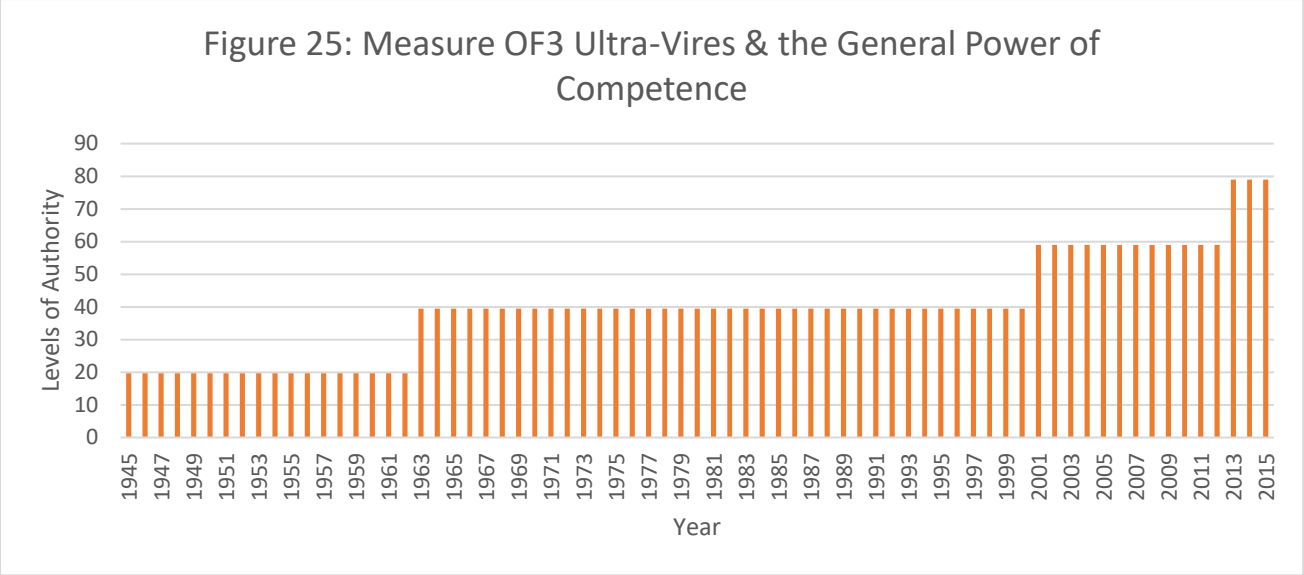
A full explanation of the legal interpretation of *ultra vires* can be found in Bailey (2004, pp.11-44). Measure OF3 seeks to capture the extent that the *ultra vires* doctrine constrains the ability of local councils to pursue their choice of action. The measure comprises five criteria. The first two criteria reflect the different interpretation that the courts give to the doctrine in the absence of any statutory freedoms. In particular, the first criteria envisage a strict interpretation by the courts of the doctrine, requiring specific statutory endorsement for the actions of councils (0 points). The second criteria envisage the court taking a more relaxed position often because the recognise the democratic legitimacy of local authorities (2.5 points). The third criteria recognise limited statutory relief from the doctrine (5 points). The penultimate criteria acknowledge a qualified general power of competence (7.5 points) and the final criteria recognises a general power of competence (10 points).

Table 54: Measure OF3 Ultra-Vires and the general power of competence – Model		
Criterion	Score	Weighted Score
Strict interpretation of *ultra vires* doctrine	0	0
Limited common law relief from *ultra vires* doctrine only	2.5	19.7
Limited statutory relief from *ultra vires* doctrine	5	39.5
Qualified general power of competence	7.5	59
General power of competence	10	79

Source: The Author

Table 55: Measure OF3 Ultra-Vires and the general power of competence – Actual			
Year	Score	Weighted Score	Event
1945-1962	2.5	19.7	• Local government operated within the ultra vires doctrine with no statutorily recognised subsidiary powers (p.156)
1963-1972	5	39.5	• The Local Government (Financial Provisions) Act 1963 enabled local authorities to incur expenditure up to 4p rate for any purpose which in their opinion was in the interests of the area (p.156)
1973-2000	5	39.5	• The Local Government Act 1972 increased the expenditure rate to 2p (p.156)
2001-2012	7.5	59	• Introduction of the wellbeing powers under section 2 of the Local Government Act 2000 (p.202)
2013-2015	10	79	• Local authorities given general power of competence as a result of the Localism Act 2011 (p.203)

Source: The Author



Source: The Author

8.4.4 Measure OF4 Local Appointment – Terms and Conditions

8.4.4.1 Explanation

This measure includes two of the elements identified by Leach et al. (2018, p. 107) and introduced in the explanation to Measure OF2 above, namely the organisation of their management arrangements and the freedom to run the services for which they are responsible. Specifically, Measure OF4 covers the following elements:

- Appointments and dismissals
- Terms and conditions
- Pay
- Compulsory outsourcing

Appointment and dismissals have not always been the sole responsibility of English councils and therefore three possible scores for this criteria have been identified. The first possibility is that there are no outside controls and local authorities are free to appoint who they wish (2.5 points). The second possibility is that central government exerts some control over local

appointments and dismissals (1.25 points). The final possibility is when central governments exerts extensive control over appointments and dismissals (0 points).

Terms and conditions of local authority employees could be set by central government and therefore this criteria allows for this possibility by including such a category (0 points) as well as a category that generally favours local determination of such matters (2.5 points).

The pay criteria contain three possible scores and requires some explanation. No central control is awarded 2.5 points. Moderate central control (1.25 points) occurs when the pay levels for a single service area are determined by central government. Extensive control (0 points) occurs when central government determine the level of pay for all local government staff.

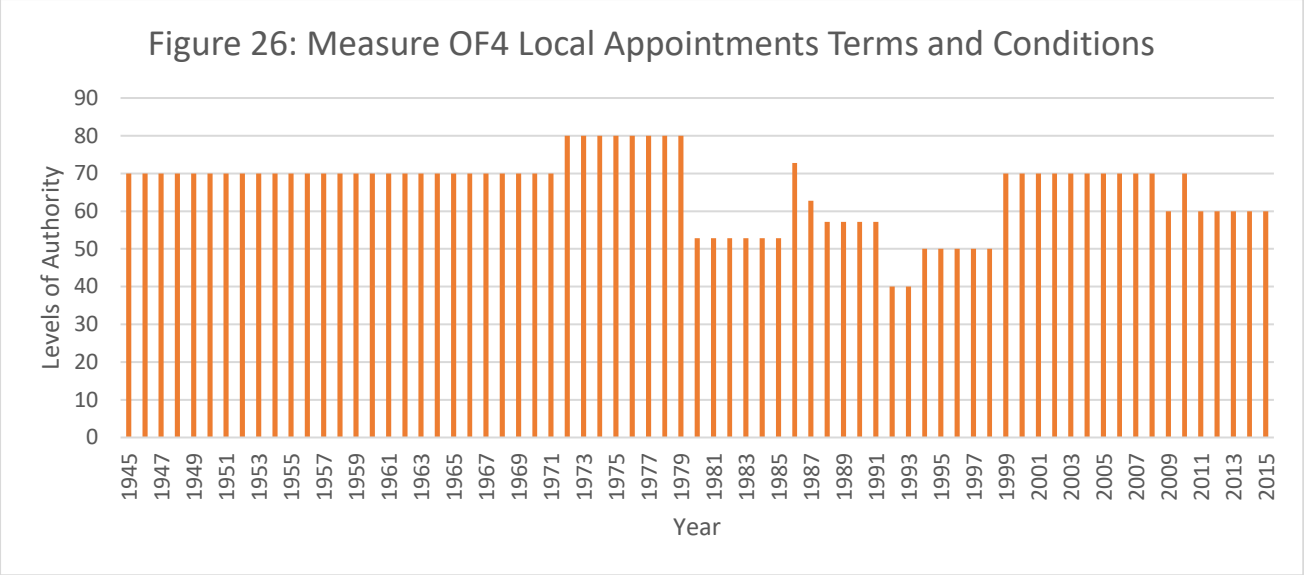
Central government has required local authorities to outsource the way services are provided by restricting ‘in house’ provision and encouraging ‘outsourcing’. This criteria seeks to capture these changing circumstances. Extensive requirements to outsource is given a score of 0, whereas a situation where there is no compulsion is scored 2.5. Two intermediate categories are also included covering occasions when only a limited extent of services are subject to competitive tendering (1.6 points) and situations when more services are involved which I have called intermediate (0.8 points).

Table 56: Measure OF4 Local Appointment – Terms and Conditions- Model		
Criterion	Score	Weighted Score
Appointments and dismissals		
No central control.	2.5	20
Moderate central control.	1.25	10
Extensive central control.	0	0
Terms and conditions		
Low to moderate central controls	2.5	20
Extensive central controls	0	0
Pay		
No central control	2.5	20
Moderate central control	1.25	10
Extensive central control	0	0
Compulsory outsourcing		
No compulsion	2.5	20
Limited extent of services	1.6	12.8
Intermediate extent of services	0.8	7.2
Extensive extent of services	0	0

Source: The Author

Table 57: Measure OF4 Local Appointment – Terms and Conditions - Actual				
Criterion	Year	Score	Weighted Score	Events
Appointment & Dismissals				
	1945-1971	1.25	10	
	1972-2015	2.5	20	• Local Government Act 1972 Act allowed local authorities to appoint 'such offices as they think necessary' (p.157)
Terms and Conditions				
	1945-2015	2.5	20	
Pay				
	1945-1979	2.5	20	
	1980-1985	0	0	• Pay cap introduced in 1980 (p.180)
	1986	2.5	20	• No central control (p.180)
	1987-1991	1.25	10	• In 1987 the Government took control of teachers' pay (p.180)
	1992-1993	0	0	• Pay freeze (p.180)
	1994-2008	1.25	10	• No pay control (p.180 & 203)
	2009	0	0	• Pay freeze (p.203)
	2010	1.25	10	• No pay control (p.203)
	2011-2015	0	0	• Pay Freeze and caps (p.203)
Compulsory Outsourcing				
	1945-1979	2.5	20	
	1980-1987	1.6	12.8	• As a result of the Local Government, Planning and Land Act, 1980 S.S could direct LAs to put highways, construction, and maintenance out to compulsory competitive tender (CCT) (p.179)
	1988-1991	0.9	7.2	• Scope of CCT extended by the 1988 Local Government Act (pp. 179-180)
	1992-1998	0	0	• CCT was further extended to 'white collar workers' with the 1992 Local Government Act (p.180)
	1999-2015	2.5	20	• The 1999 Local Government Act abolished CCT (p.203)
Total				
	1945-1971	8.75	70	
	1972-1979	10	80	
	1980-1985	6.6	52.8	
	1986	9.1	72.8	
	1987	7.85	62.8	
	1988-1991	7.15	57.2	
	1992-1993	5	40	
	1994-1998	6.25	50	
	1999-2008	8.75	70	
	2009	7.5	60	
	2010	8.75	70	
	2011-2015	7.5	60	

Source: The Author



Source: The Author

8.5 Conclusions

Chapter 8 draws on the proceeding seven chapters to operationalise 19 measures of centralisation/decentralisation selected in Chapter 7. Each measure is based on a model that seeks to enable the quantification of changing levels of authority over time that are relevant to the experience of English local government between 1945 and 2015. The models are populated by reference to the findings set out in Chapter 6. A key aspect of Chapter 8 is to ensure transparency, which ultimately allows for falsification and improvements. The reasons for each score are clearly set out in the 'Actual' tables which relate (and are referenced) to real events identified in Chapter 6.

The 19 measures vary in terms of complexity and content, but they all seek to capture changing levels of authority. In Chapter 2 (p.17), I noted that whatever is measured needs to be capable of being rendered down to a single entity so they can be combined into a single overriding measure of authority and this has been the aim of this chapter. The content of some measures is self-evident; for example, the amount of utilities controlled by local authorities. Others are more complex and include a large number of criteria that aim to

provide a comprehensive account of the changing levels of authority; for example, education and social services. The limitation of this approach is explored in Chapter 10. The completion of the operationalisation of the 19 measures is the penultimate step of the Thesis Schema and allows for the final step to be taken in Chapter 9, with the presentation of the LAI.

CHAPTER NINE: LOCAL AUTHORITY INDEX (LAI)

9.1 Introduction

The aim of this chapter is to present the completed Local Authority Index (LAI) for England covering the period 1945 to 2015. The index comprises 19 measures grouped together in three domains. The measures used in the LAI were developed from the research undertaken by the measurers identified and discussed in Chapter 4. I identified 28 measures used by the measurers, which are described in Chapter 5. The final selection process for the measures used in the LAI is set out in Chapter 7, based on the following criteria:

- Relevance to a unitary system of governance
- Relevance to the concept of authority
- Relevance to the English context between 1945 and 2015.

The selection process resulted in 19 measures, which were then confirmed and weighted by the elite respondents. The final stage in the development of the LAI measures involved their operationalisation, which is set out in Chapter 8. Each measure is given a weighted score for each year between 1945 and 2015 and then combined into one of the three domains, which in turn are amalgamated to form the LAI. The domains were established though a similar process to the LAI measures i.e. based on the literature reviews of the measurers, the measures and central/local relations. The domain weighting exercise provided by the elite respondents was not used as part of the domain selection procedure; however, the respondents' general confirmation of the appropriateness of the three domains was taken into account.

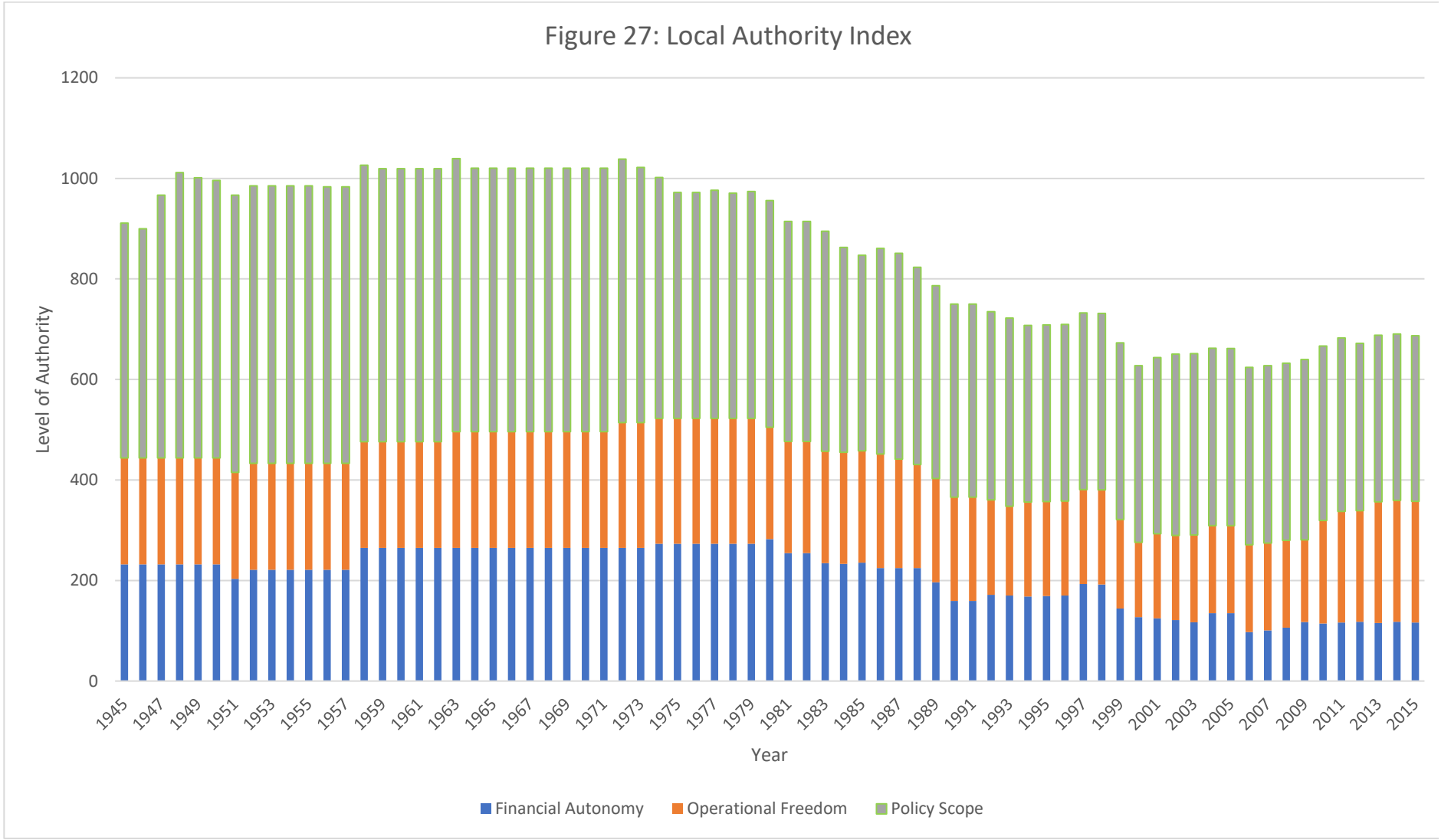
This chapter summarises the findings that emerge from the construction of the LAI. Particular attention is given to the following considerations:

- Chronology i.e. changes in levels of authority with reference to the three epochs identified in Chapter 6
- Changes of authority within the domains over time
- Relationship between political parties/individual governments and changes in levels of authority.

The chapter concludes with a summary of the key findings of the LAI, the relationship between the central/local relations literature and the results of the LAI, together with issues that need to be considered in the concluding chapter.

9.2 The Local Authority Index (LAI)

The completed LAI is set out at Figure 28. The y axis shows the score for the levels of authority derived from the 19 measures calculated in Chapter 8. The x axis shows the individual years between 1945 and 2015. Each individual bar is coloured to show the three domains for each year.



Source: The Author

9.3 Levels of Council Authority

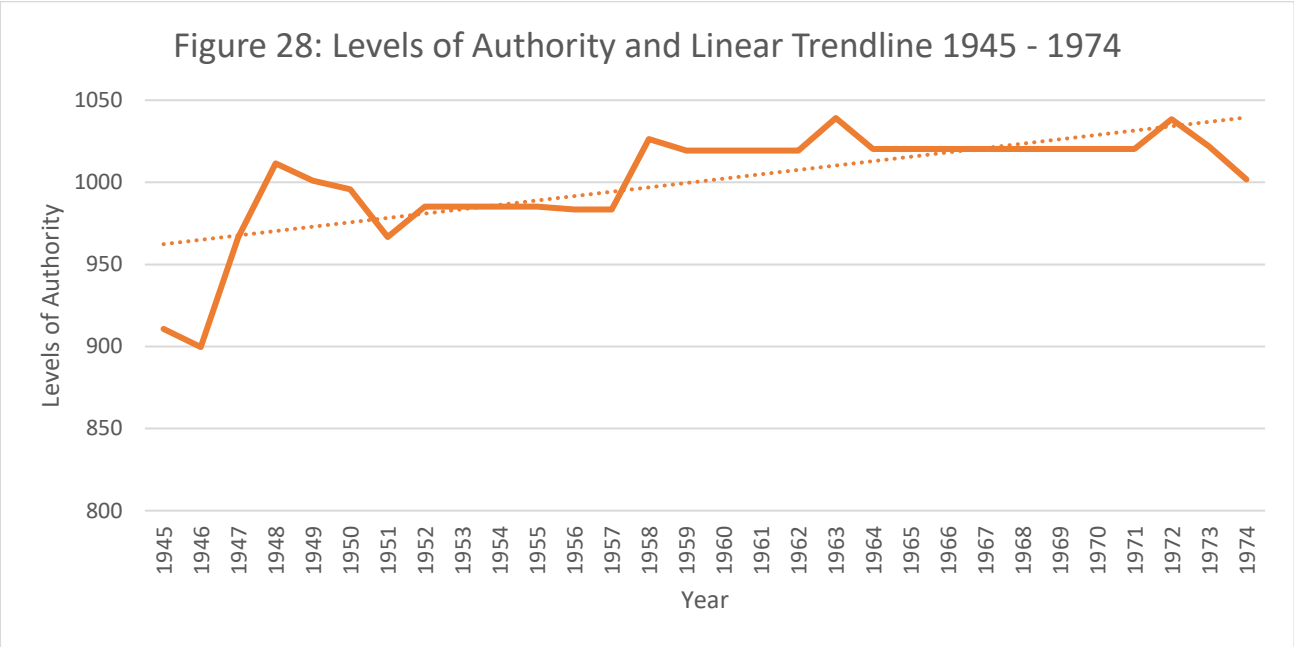
With one notable exception, most political scientists describe a continuous and unrelenting decline in the authority of UK local government since the WW2, a conclusion that could equally, apply to English councils. The exception is Hooghe et al. (2016) who record no change in the level of authority for English County Councils between 1950 and 2010. Such publications as Loughlin et al.'s (1985) entitled *Half A Century of Municipal Decline 1935 – 1985* describe an unremitting decline dating from a 'golden age' of local government before the war. Wilson and Game (2011, pp.22-23) provide an illustration entitled 'The funnel of local authority discretion', which graphically demonstrates the 'perceptible reduction in local discretion' (Wilson and Game, 2011, p.24). The very word 'funnel' implies a wide beginning with a narrower ending, with local discretion pouring away in a constant one directional flow. The LAI reveals that levels of council authority have not always decreased year on year; rather, there is often an increase in authority or no change at all. A particular value of the LAI is that it clearly demonstrates how levels of council authority change on an annual basis as well as over longer periods including, for example, the three epochs identified in Chapter 6.

The three graphs set out below demonstrate the overriding characteristics of the three epochs. The graphs depict the annual authority score taken from the LAI shown by the solid line. The dotted line is a linear trendline (simple linear regression derived from Microsoft Excel), which shows the overall trend in the level of authority for each of the epochs. Changes of authority for the domains is considered at 9.4.

1945 - 1974

Figure 28 leads to three important observations. Firstly, it shows an overall increase in the level of local authority between 1945 and 1974, amounting to 10per cent. Secondly, it shows that in the early years of the 1945-50 Labour Government, a significant increase in the levels

of local authority occurred (which in itself was responsible for most of the overall increase in the levels of authority for the epoch). Finally, there was a remarkable period of stability with no significant change in the levels of local authority between 1959 and 1974.



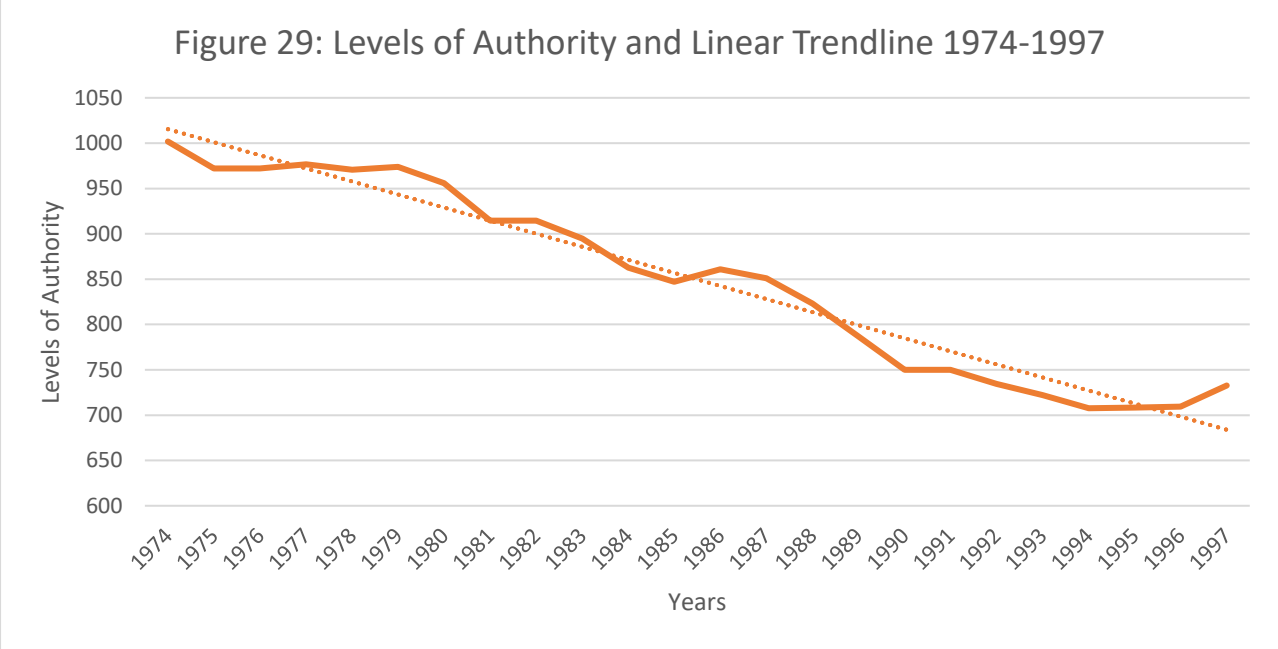
Source: The Author

The early increase in levels of authority was primarily due to the significant growth in policy scope, which came about despite some significant transfers of other functions away from local authorities, the details of which are discussed below in 9.4. In respect to the middle/end period of this epoch (1958 – 1974), levels of authority were buoyed up by a significant reduction in the ring fencing of central government grants in 1958.

1974-1997

Fig. 29 demonstrates that during the period between 1974 and 1997 a significant decrease (30per cent) in councils' levels of authority occurred. In fact, the decline began a year earlier in 1973, which raises the question, should the previous epoch of consensus and stability end in 1973? This questioned is returned to later in this chapter. The LAI reveals that during this epoch levels of council authority dropped by a quarter. In just three years between 1987 and

1990, levels of authority dropped by 12per cent. The decline in levels of authority is evident across all three domains; however, decreases in financial autonomy were particularly significant between 1980 and 1991. Even during this period of decreasing authority, there were six individual years when level of authority actually increased.

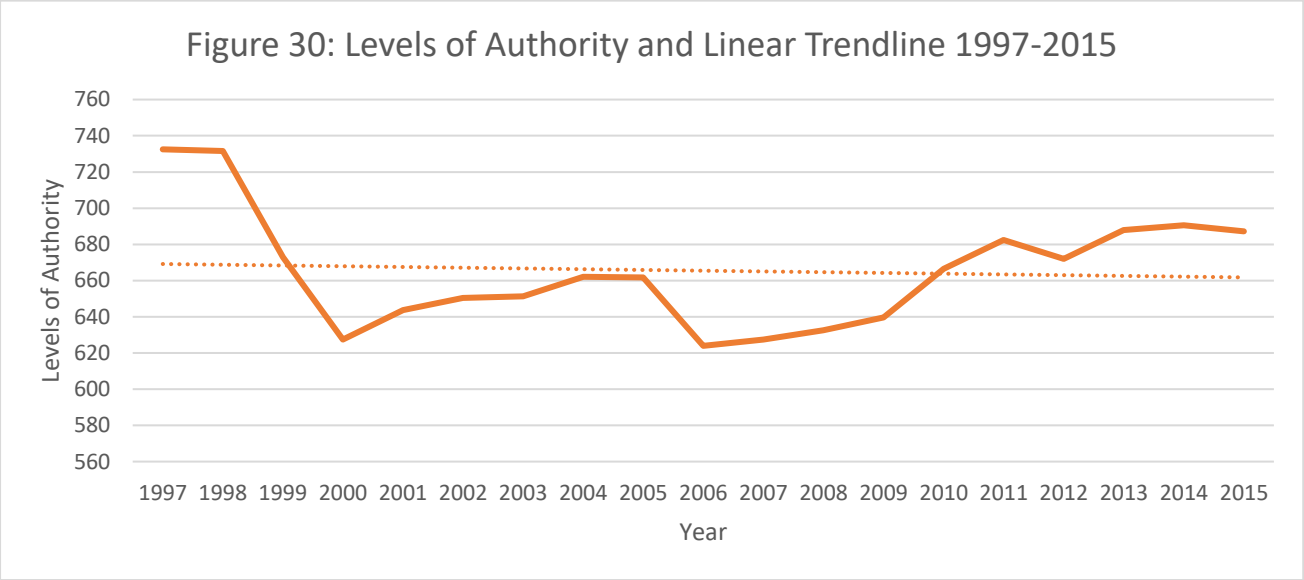


Source: The Author

1997-2015

Fig. 30 shows that levels of authority continued to decline over the final epoch but less relentlessly than during the previous period. Levels of authority began to recover from 2006. Overall levels of authority fell by nearly 7 per cent, the majority of the decrease occurring during the first three years of this period. Again, this raises the question of whether the precise dates of the epochs need to be reconsidered and whether the years 1997-2000 should be included in the previous epoch. The reduction in the levels of authority were not, however,

confined to the first three years of the final epoch; indeed, 2006 witnessed the lowest level of council authority throughout the entire study period.



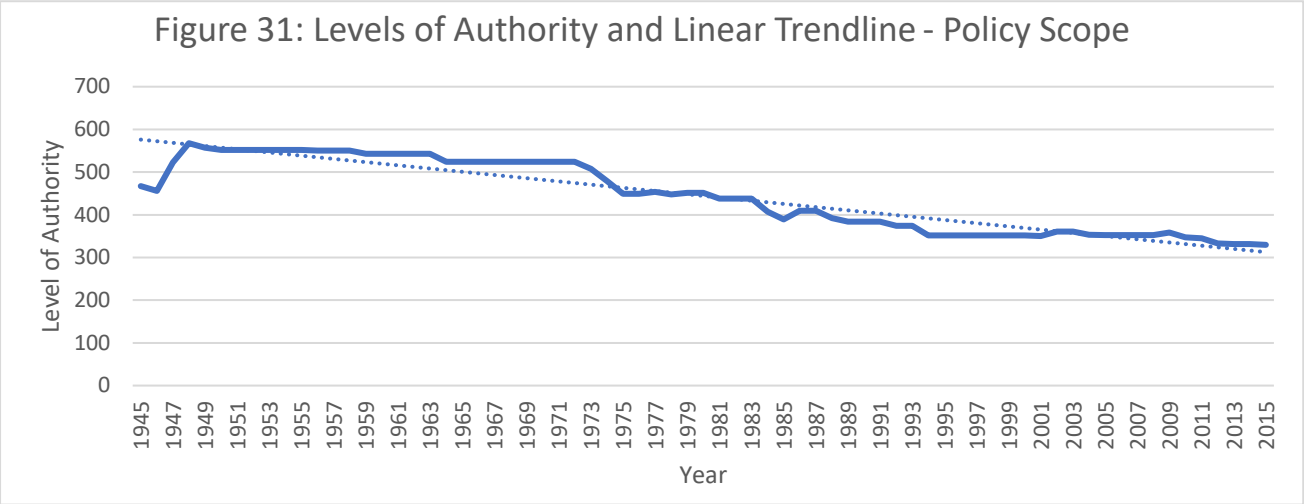
Source: The Author

9.4 Changes of Authority Within the Domains

As with the previous three figures, the graphs below show the changes in the annual levels of authority by way of a solid line and the dotted line shows the linear trend.

9.4.1 Policy Scope

Policy scope decreased over the study period by 30 per cent. Apart from a marked increase after World War Two, with the expansion of Social Services and Town and Country Planning, policy scope has seen a steady decline since 1948. The details of these significant changes in Social Services and Planning are considered in Chapter 6. (pp. 142 – 143 and pp. 137 - 138)



Source: The Author

Chapter 8 details the changes in the levels of authority for the individual measures within the three domains. Four policy areas stand out in terms of the decline in levels of authority, namely education (LAI Measure PS2), utilities (LAI Measure PS6), health (LAI Measure PS7) and housing (LAI Measure PS8).

Education

The decline in levels of authority for education since 1945 were significant, amounting to a reduction of over 70 per cent. The reductions in levels of authority have not been constant. After a period of stability between 1945 and 1987 (levels of authority actually increased very slightly), a dramatic decline occurred between 1988 and 1992, precipitated by the Education Reform Act, 1988. Stability returned between 1993 and 2009, only for a further sharp decline to occur between 2010 and 2015, caused by the Academies Act, 2010.

The 1988 Act had a major effect on the authority of LEAs. According to Weir and Beetham (1999, p.265), 'In the 1988 Education Act alone, Kenneth Baker, the then Education Secretary, adopted 415 new powers of central control, while severely reducing the role of education authorities'. The Academies Act, 2010, was equally dramatic in its effect on local

levels of authority, which continued to decline for the remainder of the study period as noted in Chapter 6. (pp. 189 - 190).

Utilities

In 1945, local authority involvement in the control and provision of public utilities, as set out in Chapter 6 (pp. 135-136), accounted for 5 per cent of the total LAI score for that year. By 1975, the score was zero as each utility was nationalised.

Health

Levels of authority for health fell by 75 per cent over the study period, most notably between 1948 and 1974. There were also two small increases in the level of authority in 1959 and 2012.

The National Health Act, 1946, resulted in the creation of the National Health Service and the loss of primary health provision (curative health) from local authorities. Prior to 1948, when the Act took effect, local authorities were the main providers of health care in the UK. There was much expectation at the time that local authorities would experience a significant expansion in hospital administration and it was, as Robson (1966, p.15) notes, a 'shattering blow to local government when they were deprived of this role'. The reduction in the power of local authorities in health did not occur without comment at the highest level. At Cabinet on the 18th October, 1946, according to Eatwell (1979, p.63), Herbert Morrison, the Deputy Prime Minister (and previously Leader of London County Council), claimed that local government 'might be dangerously undermined' by the new health arrangements.

Housing

Levels of authority for housing fell by 78 per cent over the study period mostly as a result of Right to Buy and the introduction of Large Scale Voluntary Transfers (p. 98). The most

dramatic event was the introduction of the 1972 Housing Finance Act, which took away councils' authority to set rent levels. The reason for this legislation was, according to Burnett:

> In order to direct subsidies towards poorer tenants, rents were to be raised to economic or 'fair' levels, but those who could not meet them would receive means-tested local rebates financed by the Exchequer. (Burnett, 1986, pp. 288-289)

The Heath Government (1970-1974) was very concerned that more prosperous council tenants were being subsidised by the state in terms of low rents. This supposition is summed up well by the following: 'If coals in the bath and pigeons in the spare bedroom had been the fear of the early critics of council housing, then the Jaguar in the drive was the enduring myth by later critics' (Short, 1982, p.60). The reaction to this prejudice enabled central government to take control of council house rents and required so called 'fair' rents, whereby, apart from the very poorer tenants, rents were regularly increased at the behest of central government. Burnett (1986, p.289) notes that, 'A number of Labour-controlled local authorities opposed the loss of power to fix their own rent levels, but eventually gave way'.

Within seven years of the introduction of Right to Buy in 1980, the stock of council housing reduced by approximately one sixth. The 1988 Housing Act resulted in 250,000 council homes being transferred to housing associations under the 'Large Scale Voluntary Transfer' (LSVT) arrangements, between 1988 and 1997.

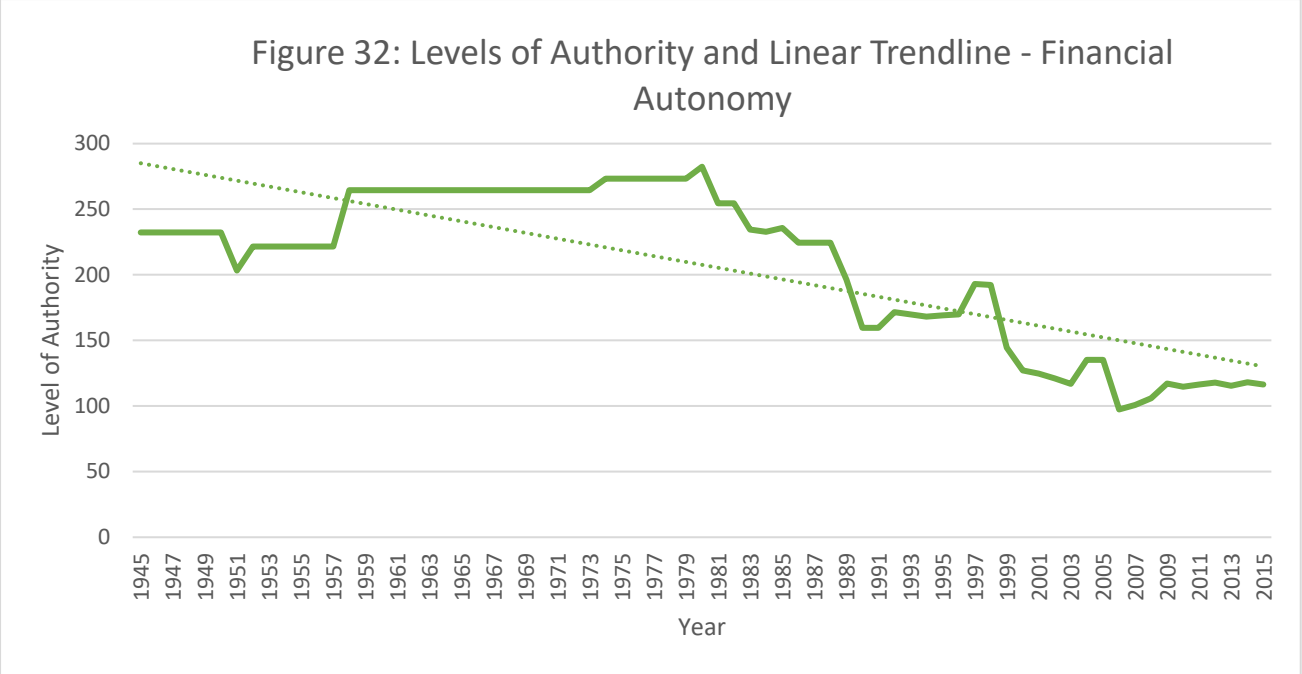
9.4.2 Financial Autonomy

Financial autonomy declined by exactly 50 per cent over the study period, with the most dramatic falls in levels of authority occurring between 1980 -1990 (-44per cent), 1998-2003 (-40 per cent) and 2005-2006 (-28 per cent), as clearly demonstrated by Figure 32. Overall, the loss of financial autonomy during these periods exceeds the total loss of authority across the whole study period; thus, this is the single most important factor explaining the general

decline in levels of local level authority between 1945 and 2015. The explanation for this decline is both technical and political and its importance warrants further consideration. The continuing increase in local rates and local government spending during the 1970s was a concern for all central governments during the period (Young and Rao, 1997, pp. 236-239); however, it was not addressed to any significant extent until the 1980s.

The desire of the incoming Conservative Government of 1979 to control local government expenditure was strengthened by the association of local expenditure with national financial concerns. Between 1973 and 1979, an important technical development occurred when local expenditure was 're-classified' and, as stated by Rhodes (1984, p.267), 'was now treated as an integral part of the national public expenditure process and, as such, a legitimate target for Treasury influence in an attempt to manage the national economy'. The rationale for this reclassification is not entirely clear. An attempt by the Treasury to justify it was described as a 'Humpty-Dumpty' argument by the House of Lords Select Committee on Relations Between Central and Local Government (1996, p44). However, it can only be concluded that the inclusion of local government expenditure in total national expenditure inevitably lead to greater controls over local financial arrangements. Travers recalls a quote by the Junior Environment Minister, Lord Bellwin, from 1980, which typifies the justification given for increased central control over local financial arrangements:

> Surely it is right for the Government to spotlight those authorities who are not willing to conform to national policy objectives. I am sure the country at large thinks it right and proper that those authorities who refuse to cooperate should bear the cost. The Government is entitled to expect the cooperation of local authorities whose individual objectives must be subordinate to the national interest. (Bellwin cited in Travers, 1989, p.9)



Source: The Author

By the end of the first Thatcher government (1979-1983), there was growing exasperation from central government towards local government. In the Conservative manifesto of 1983, this frustration was expressed as follows:

> There are, however, a number of grossly extravagant Labour authorities whose exorbitant rate demands have caused great distress both to businesses and domestic ratepayers. We shall legislate to curb excessive and irresponsible rate increases by high-spending councils, and to provide a general scheme for limitation of rate increases for all local authorities to be used if necessary. (Conservative Party, 1983, p.37)

The LAI identifies two Financial Autonomy measures that suffered a significant decline during the three periods noted above, amounting to over 70 per cent of the loss of authority within this domain:

- Setting the Rate of Local Taxes (LAI Measure FA2)

- Control Over Revenue and Capital Spend (LAI Measure FA3)

(I have excluded further consideration of Councils setting the base of local taxes (LAI Measure FA1) as this ended in 1950 and has not been reintroduced.)

Setting the Rate of Local Taxes

The levels of authority for this measure fell by 75 per cent between 1980 and 2000. The most dramatic fall occurred in 1985 when selective rate capping came into effect as a result of the Rates Act, 1984, and in 1990, when the Local Government Finance Act, 1988, removed local authority powers to set the rate of non-domestic rates and replaced it with the national non-domestic rate or uniform business rate.

The period of decline in financial autonomy began when the power to set supplementary rates was abolished by the 1980 Local Government Planning and Land Act; however, a significant reduction in local government financial autonomy accompanied the Rates Act, 1984, which, from 1985, introduced selective rate capping. The then Environment Secretary, Patrick Jenkins, considered that selective rate capping was a matter of constitutional importance. Travers reminds us of Mr Jenkins' statement made during the second reading of the Bill:

> We have a duty to protect ratepayers from blatant exploitation. We have a duty to ensure that all parts of the public-sector work within national economic policies. Other efforts to make these few authorities see reason have failed… (Jenkins cited in Travers, 1989, p.11)

However, the Conservative party were not of one mind in this matter. Geoffrey Rippon, a previous Secretary of State of the Environment, claimed that the Bill was:

> One of the most deplorable Bills that has been brought before the House in all the time that I have been a Minister…. Its nature is undemocratic and contrary to the spirit of our unwritten constitution… (Rippon cited in Travers, 1989, p.11)

The failure of central government to control local government expenditure by the selective use of rate capping and controls over the grant system (see below) led to the scope for universal rate capping being introduced through the Rates Act, 1984. There was much debate at the time over whether this legislation was a temporary measure, but it has remained a feature of the control over local financial autonomy ever since. Although John (1990, p.13) states that this Act was not actually used to apply universal rate capping, a 'rate cap' was set. Indeed, as soon as the Act was passed, a formula was announced whereby any authority spending more than a prescribed amount would be capped. Failure to comply could lead to individual councillors being surcharged and disqualified from office. This occurred in the case of Liverpool and Lambeth in the mid -1980s (Wilson and Game, 2011, p.277) when the defiant councillors were disqualified. Confrontation between central government and several Labour councils was intense but ultimately only two councils were taken to court.

While John (1990, p.11) considers that the centralising measures to control the errant Labour authorities were not the result of a coherent policy, it did mark a radical change in central/local relations. The aim may well not have been to centralise power, rather the loss of local authority autonomy was seen as a price worth paying in the national interest, which superseded the interest of local democracy. Holmes (1985) notes, when considering the need to control local government expenditure:

> To achieve this the government may have to consider a legislative freeze on all local authority recruitment at the discretion of the Environment Secretary. If this undermines local government autonomy, it would be justifiable, if public expenditure

> can be properly controlled and rates kept within the limits of financial discipline. (Holmes, 1985, p.131)

The Local Government Finance Act, 1988, removed local authority powers to set the rate for non-domestic rates and replaced them with the national non-domestic rate or uniform business rate. This came into effect in April 1990. Central government justified the removal of this local power in order to protect local business from excessive local taxation. An alternative explanation is put forward by Cochrane (1992, p.7) who considered that the change 'was explicitly directed towards undermining the ability of left Labour councils - particularly in London - from funding their activities from taxes paid by business, instead of taxes paid by individuals (and voters)'.

Control Over Revenue and Capital Spend

The annual levels of authority for this measure declined significantly in 1981 (-20 per cent), 1989 (-37 per cent) and in 1999 (-100 per cent). Rhodes (1984, p.271) identified seven major changes in the grant system between 1979 and 1982. The most significant change was the introduction of the Block Grant in 1981 as a result of the Local Government Planning and Land Act, 1980. Under the new system, the Government assessed how much an authority needed to spend through the grant related expenditure assessment (GREA). If a local authority spent more than the Government assessment, then Government grant would be reduced. In 1981, the Government introduced further restraints on local authority expenditure by setting spending limits or targets below the levels that would have been determined by GREA.

The 1989 Local Government and Housing Act placed significant capital funding restrictions on local authorities. Bailey et al. (2012), commenting on the Act, note:

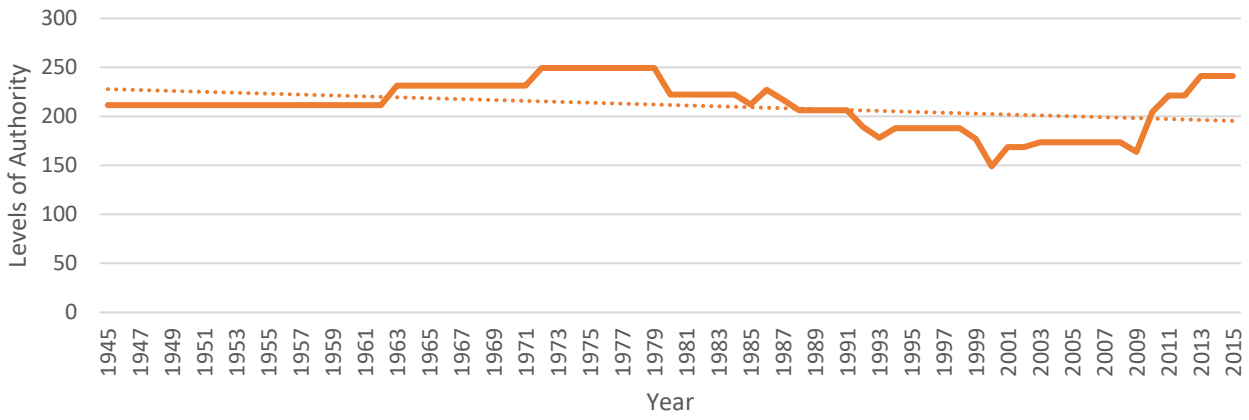
> The regime sought to tighten central control over aggregate capital spending by councils, limit the use of credit, prevent capitalisation of revenue expenditure by reinforcing the division between capital and revenue budgets and deal more explicitly with capital receipts. (Bailey et al., 2012, p.212)

The Local Government Act, 1999, applied sanctions over the total budgets of local authorities. The reserve powers under the Local Government Act, 1999, also applied to levels of overall budget which has resulted in the total loss of local determination, resulting in a zero score for this measure in every year since 1999.

9.4.3 Operational Freedom

In the case of operational freedom, levels of authority increased over the study period by 14 per cent although it did drop during the second epoch by 25 per cent, the most notable years being between 1979 and 1993. The changes in levels of authority broadly reflect the three epochs, although the level of decline experienced in the second epoch continues for a number of years into the final epoch, with a 11 per cent reduction in the levels of authority between1997 and 2001.

Figure 33: Levels of Authority and Linear Trend Line - Operational Freedom



Source: The Author

The first epoch is characterised by stability, changing to a period of slight growth in the early 1960s and 1970s. The slight increase in the levels of authority relate to the introduction of some discretion for local authorities in terms of the *ultra vires* doctrine through the Local Government (Financial Provisions) Act, 1963, (p.156) and the introduction of the Local Government Act, 1972, which provided some relief from surcharging (p.156), as well as recognising the authority (with some exceptions) of councils to appoint their own staff (p.156).

The second epoch witnessed a decline in levels of authority for this domain, caused by changes in service audits (from a consultancy approach to a policing approach, p.271), the introduction of Best Value (p.197) the extension of CCT and a reduction in political freedom. The Local Government, Planning and Land Act, 1980, permitted the Secretary of State, Michael Heseltine, to direct that councils' highways, construction and maintenance be put out to Compulsory Competitive Tender (CCT). There was no reciprocal arrangement whereby local councils could compete for private sector work. Chandler (2007, p.246) does not consider that this legislation was the herald of privatisation and the enabling authority; rather, as he states, 'Heseltine was forwarding established Conservative antipathy to a practice the party had condemned from the beginning of the Twentieth Century', but it did clearly indicates a belief that the private sector was inherently more efficient than the public sector. Walsh (1989, p.33), while recognising the efficiency argument, considered that CCT was also about restraining the power of local authorities (and Trade Unions). The 1988 and 1992 Local Government Acts extended the services covered by CCT, but CCT was abolished with the introduction of Best Value in 1999.

Political freedom was affected by a series of laws that sought to curtail the democratic activities of local authorities. Section 28 of the Local Government Act, 1988, introduced a ban on councils 'promoting' homosexuality. (p.104) The Local Government Act, 2000,

imposed a new system of governance on local authorities (p.115), and introduced the Standards Board for England.

The final epoch eventually witnessed an increased level of authority (28 per cent), primarily due to the introduction of the 'well-being' powers under Section 2 of the Local Government Act, 2000, (p.202), superseded by the power of general competence under the Localism Act, 2011 (p.203). Wilson and Game (2011, p.169) considered that the power of well-being 'genuinely extended local authorities' powers'; however, while not necessarily contradicting this assertion, other commentators have concluded that local authorities did not take full advantage of the new powers (Stewart, 2003). Three main explanations have been put forward as to why local authorities limited their use of the new powers:

1. Low level of awareness of the opportunities provided by the new power (DCLG, 2008b, p.3).
2. Lack of new thinking by local authorities which should have been beyond the 'objectives set by existing activities and responsibilities' (Stewart, 2003, p.18).
3. Legal uncertainties as to the appropriate use of the well-being powers (DCLG, 2008a, p.2).

In addition, there was a lack of confidence within local government that central government and the courts would really allow councils to do anything to improve their area without reference to specific legislation. This reticence was given weight by the London Authorities Mutual Ltd case (2009), where the judge ruled that a number of London local authorities could not use the well-being powers to establish a mutual insurance company. The Localism Act, 2011, replaced the well-being powers with a general power of competence, which allowed local authorities to do 'anything that individuals generally may do'. It was brought into force for local authorities on 18th February, 2012.

9.5 Relationship Between Political Parties, Individual Governments and Levels of Authority.

The LAI enables an analysis of how political parties and individual national governments relate to changes in the levels of council authority. Table 58 shows the authority scores and percentage change in levels of authority for each government by the controlling political party between 1945 and 2015. Despite the loss of curative health functions and, eventually, the utilities, the Labour Government of 1945-1950 presided over the biggest increase in levels of local authority of any government between 1945 and 2015. As noted above, the majority of the increase was due to the expansion of local authority Social Services and Town and Country Planning, while other measures (with the exception of health) remained relatively static. Conversely, the Government that oversaw the biggest single decrease in levels of councils' authority was the Conservative Government of 1987-1992, which began under the premiership of Margaret Thatcher and ended with Prime Minister, John Major. The unprecedented decline was preceded by eight years of reduction in councils' levels of authority, which cumulatively resulted in a loss of authority of 25 per cent between 1979 and 1992.

Both major political parties have been responsible for a decrease in the levels of councils' authority. The Conservatives have been responsible for an average annual decrease of 2.3 per cent per year while the equivalent for Labour is a decrease of 1.2 per cent. The Conservative Liberal Democrat coalition of 2010-2015 was responsible for an increase in levels of local authority of 3 per cent.

Table 58: Relationship Between Political Parties, Individual Governments and Levels of Authority.		
Political Party and Governments	Change in LAI score	% Change in Levels of Authority
Conservative		
1951-1955	+18	+2%
1955-1959	+34	+4%
1959-1964	+1	+0.1%
1970-1974	-19	-2%
1979-1983	-79	-8%
1983-1987	-63	-7%
1987-1992	-117	-14%
1992-1997	+2	+0.3%
Labour		
1945-1950	+85	+10%
1950-1951	-29	-3%
1964-1966	0	0
1966-1970	0	0
1974	0	0
1974-1979	-28	-3%
1997-2001	- 88	-12%
2001-2005	+17	+3%
2005-2010	- 4	- 0.6%
Conservative/Lib Dem coalition		
2010-2015	+ 21	+3%

Source: The Author

9.6 Conclusions

The LAI reveals that the decline in levels of authority for English councils has not been unremitting over the study period. Indeed, the overall decline did not impact until 1973 and, even during this period of cumulative loss of overall authority, there were occasions when levels of authority increased in specific years. The LAI confirms the identification of the three epochs as set out in Chapter 6. The first epoch 1945-1974 (Consensus and Stability) exhibited a growth in levels of authority; the second epoch 1974-1997 (Rupture) witnessed a sharp decrease in the levels of authority; and the final period 1997-2015 (Earned Autonomy) is characterised by a slowdown in the rate of decline. The changes in the overall levels of authority broadly follow the characteristics of the three epochs discussed in Chapter 6, but

there are some inconsistencies. If the LAI were the sole determinant in defining the dates of the three epochs, the first epoch would have ended in 1973 and the second epoch would have continued until 2000. However, the variation is slight, and although such findings could lead to the questioning of the precise dates that define the epochs, the overwhelming conclusion of the LAI is that it is supportive of the periodisation.

Policy scope has experienced a decrease in levels of authority in almost every year since 1948, primarily due to the loss of responsibilities in education, utilities, health, and housing. For two local authority policy areas, levels of authority have either been maintained or increased, namely social services and planning. Following a period of relative stability, levels of authority in the domain of financial autonomy decreased dramatically from 1980, primarily due to increased central government control over setting the rate of local taxes as well as local revenue and capital spend. Levels of authority relating to the operational freedom domain rose during the study period. The changes in levels of authority for this domain are characterised by a period of growth between 1945 and 1979, a period of decline between 1980 and 2001, and a period of subsequent growth between 2002 and 2015. In terms of the relationship between political parties/individual governments and levels of local authority, the Conservatives have been responsible for the greatest fall in levels of local authority. Only the Coalition government of 2010-2015 was responsible for an actual increase in the level of local authority.

The narrative on English central/local relations covering the period between 1945 and 2015 is extensive, but largely lacks numerical bases for assessing the dramatic changes in the levels of councils' authority that most researchers believe took place over the period. The LAI offers the opportunity to quantify and contextualise these changes in a transparent way, which is capable of being used to support or challenge existing opinions and orthodoxies on central/local relations since the Second World War.

In the final Chapter, I will provide a summary of the thesis, an explanation of its contribution to knowledge, (both empirically and methodologically), the limitations of the research and ideas for further research and policy implications.

CHAPTER TEN: CONCLUSIONS

10.1 Introduction

This chapter begins with a summary of the preceding nine chapters. Second, I consider the findings of my research in relation to the four research questions set out in Chapter 1. Third, consideration is given as to how the research has added to the theory of centralisation/decentralisation. Fourth, I consider the practical contribution that my research has made, in particular the usefulness of the Local Authority Index (LAI). Fifth, the limitations of the research are explored and explained. Finally, ideas for future research on the measurement of centralisation/decentralisation in relation to sub-national government are considered.

10.2 Thesis Summary

Chapter 1 explained the purpose of the research, namely, to measure changing levels of local authority in England between 1945 and 2015. The first chapter also sets out the research questions and the content and structure of the thesis. Chapter 2 established the theoretical position of my research. The chapter clarifies my understanding and definition of a number of key concepts that underpin the research, specifically; devolution; decentralisation; centralisation; and authority.

Chapter 3 explained my research design and methodology, beginning with my research philosophy which is based on a foundationalist and positivism position. The choice and design of my case study (English Central /Local relations between 1945 and 2015) was then examined. The methods section of this chapter follows the schema adapted from Adcock and Collier (2001, p.531), which is set out in Figure 1 based on the seven levels or steps that ensures a logical and rigorous approach to the construction of the LAI.

Chapter 4 critically reviewed the work of 25 researchers who have sought to measure the ebb and flow of decentralisation/centralisation since the 1970s in a wide range of countries. The measurers adopt four different approaches that are often in vehement opposition to each other: Descriptive Measurers, Statistical Measurers, Codified Measurers and Single Index Measurers. An important consideration in the development of the measurers' approaches is the guiding purpose of their work. Three important research purposes were identified: the study of federalism, covering both democracy and fiscal concerns, central/local relations and the distribution of authority. Chapter 5 examined the actual measures developed by the measurers based on the approaches and purposes identified in Chapter 4.

Chapter 6 provided an outline of the major developments that have taken place in English local government between 1945 and 2015, in terms of central/local relations in general, and changes in the differential levels of authority in particular. Three distinct epochs are identified: consensus and stability (1945 – 1974), rupture (1974 – 1997), earned autonomy and modernisation (1997 – 2015).

Chapter 7 brought together insights from the previous three chapters in order to develop a set of 19 draft measures organised within three domains. Although the 28 measures identified in Chapter 5 formed the basis of developing my draft measures, three criteria led to the elimination of a number of existing measures - relevance to a unitary system of governance, relevance to the concept of authority and relevance to the English context. A critical part of the research, as set out in the Thesis Schema, is the use of elite respondents (made up of, existing and former local authority chief executives and leaders, a senior former civil servant and external experts) to both validate the selection of domains and measures and to advise on the relative importance of each measure in determining differential levels of authority. The selection of respondents was based on reputation and the need to obtain a good cross section

in terms of party-political allegiance, type of local authority and gender. Overall, the elite respondents were very supportive of my selection of domains and measures.

Chapter 8 set out the detailed construction of each of the 19 measures within the three domains. The three domains are as follows: policy scope (the range of functions carried out by local authorities), financial autonomy (the level of financial freedoms enjoyed by local authorities), and operational freedom (the level of authority that councils have to express their own political identity and priorities as well as the freedom to manage their own organisation). The measures seek to capture the level of authority enjoyed by councils in England. They are varied in structure and complexity. The simplest measure records the level of service provided - a good example being the provision of public utilities as a percentage of total provision. Other measures are far more complex, capturing the changing levels of external controls that determine how councils operate authority over their territories - a good example being education. All measures are initially scored the same (10) and are then weighted based on the aggregate scores of 18 elite respondents, providing a score for each year between 1945 and 2015.

Chapter 9 presented the LAI, which comprises all the 19 measures presented as a combined, numerical sectional bar chart for each year between 1945 and 2015. The sections represent the three domains of policy scope, financial autonomy, and operational freedom. The presentation of the LAI in a graphical form allows for an easy analysis of changing levels of authority of local councils over time, clearly demonstrating the consensus view that all aspects of councils' authority has declined as alluded to by such important commentators as Loughlin et al. (1985) and Stewart and Stoker (1989).

10.3 Findings of the Research

The study addressed the following four questions:

1. Is it possible to measure levels of authority over time at the level of local government?

2. Can existing research based at the regional level be transferred in whole or in part to the local level of government?

3. How can authority as a concept be operationalised for the purpose of measuring changes in the levels of centralisation/decentralised at the local government level?

4. How has the level of council authority changed in England between 1945 and 2015?

Q1. Is it possible to measure levels of authority over time at the level of local government?

Essentially, Question 1 comprises two elements. The first element concerns the possibility of measuring authority, while the second element asks that, if it is possible to measure authority, can such measurement be undertaken at the local government level over time?

The meaning of *authority* is a heavily contested concept which has changed considerably since Dahl defined it in the 1950s as: 'A has power over B to the extent that he can get B to do something that B would not otherwise do' (Dahl, 1957, p.203). Lukes categorises Dahl's definition of power as a one-dimensional view. Lukes (2005, p.39) notes, 'In brief, the one-dimensional view of power cannot reveal the less visible ways in which a pluralist system may be biased in favour of certain groups and against others'. In Chapter 2 (p.30) I consider whether Dahl's 'one dimensional view' of authority is sufficient to provide the underpinning concept for the development of my measures. I conclude that the limitations of Dahl's definition of authority are significant but must be considered in relation to the subject matter of the research. If, for example, the researcher is interested in how authority was distributed

within a particular area or territory, then the limitation of Dahl's definition could be problematic. However, if the researcher's interest is limited to a single institution, it is legitimate to conclude, as Hooghe et al. (2010, p.5) do, that the standard political science definition of authority (i.e. Dahl's definition) can 'serve our purpose well'.

In Chapter 2, I also consider certain aspects of authority that require clarification. The first issue is whether both formal and informal authority should be measured. Hooghe et al. (2010, p.5) conclude that in the context of regional authority, both formal and informal authority should be assessed if we are to discover 'how much power a regional government was able to exert'. However, they also conclude that assessing informal authority is simply too complex, and, although imperfect, they rely only on formal authority. Hooghe et al. (2010, p.5) define formal authority as exercised in relation to 'explicit rules, usually, but not necessarily, written in constitutions and in legislation'. Informal authority is not precisely defined by them, but Hooghe et al. (2010, p.5) note that it could involve, 'party structure, partisanship, regional and national leadership, public opinion, and much else besides'. My interpretation is that informal authority is simply that which exists beyond explicit rules, laws, and constitutions. In Chapter 2 (pp20-21), I concluded that the role of audits and inspections affects levels of authority. Such activities would not always be included within the narrow definition of formal authority, as used by Hooghe et al. I, therefore, conclude that it is appropriate to include aspects of informal authority if the possibility exists to quantify them.

The second aspect of authority that I consider in Chapter 2 is the nature of legitimate authority. The exercise of legitimate authority is not simply a matter of enforcing laws; rather, as Simmons (2002, p.17) notes, legitimate authority encompasses a moral "right to rule".

In summary, the definition of authority which is adopted in my research is as follows:

- The ability of A to get B to do something that B would not otherwise do
- The inclusion of informal authority where this is possible
- Authority that is legitimate

I accept that the definition of authority I have adopted may appear, to many, to be narrow, traditional and, perhaps, over simplistic. However, I argue that a more expansive, and complex definition of authority would be extremely difficult to quantify and, to the best of my knowledge, has never been attempted and would certainly be beyond the limitations of a PhD.

A further example of my specific approach set out in Chapter 2 is the restriction of my analysis to local government and the avoidance of 'local governance'. While much of the literature favours a narrative proposing that local governance has replaced local government, in full or in part (Sulivan,2004 and Lowndes and Sullivan, 2017), as the unit of analysis of local decision making and service delivery, does it follow that such changes should change the measurement of authority of local government? In other words, should the unit of measurement of local authority pass from local government to local governance, as a reflection of the changing nature of local politics that many scholars have concluded has taken place over the last 30 years? I conclude, admittedly without a detailed analysis of the development of local governance, that it would be inappropriate to do so. My reasons for this conclusion relate to practicalities, including the difficulties of capturing meaningful data from many diverse organisations, but also to the theoretical stance I have adopted (Section 2.2). I also argued that local government continues to be significant as a unit of political analysis and remains a significant local legal entity, and this is particularly appropriate given the length of my research period, dating back to 1945.

Having established the definition of authority to be used in the research, it was necessary to examine and define what constitutes authority in the case of sub-national government. To arrive at the position of measuring the different aspects of local government authority, a rigorous and transparent framework is required whereby every step is clearly understood and capable of falsification. To guide and assist me in this process, I adapted Adcock and Collier's (2001) schema, which is displayed at page 48 of my thesis, which I consider more fully in the response to question three as set out below.

In Chapter 5 (p.93), I consider the way the measurers group their measures and argue that there are four common groupings:

- Financial Measures
- Measures that consider the range of functions
- Measures that examine local autonomy in terms of the management of sub-national government
- Other Measures

Financial considerations dominate the literature on measuring decentralisation. Governmental financial data is readily available from the OECD, World Bank and IMF making financial data particularly useful in comparative studies. Financial measures have been refined and developed most notably by the OECD; however, some of the financial measures are quite contentious with concerns being raised by such researchers as Rodden (2004) and Treisman (2007) that they are not true measures of centralisation/decentralisation. Since the mid-1970s all but one of the measurers have used some form of financial measure and it is worthy of note that the financial domain received the highest score by the elite respondents. Furthermore, local government finance has been a consistent concern of academics and

practitioners with a distinct narrative in terms of central/local relations and, therefore, it is significant to trace the ebb and flow of the financial aspects of local authority.

Although not as ubiquitous as financial measures, many researchers have developed measures that seek to capture the range of functions operated by sub-national governments. Such measures are particularly popular with the single index measures, from Stephens (1974) through to Hooghe et al. (2010). The functions identified by the measurers vary, as does their presentation, which ranges from simple lists of functions through to more complex weighted groupings. Frequently, such measures are known as policy scope measures.

Finally, there are a number of measures that do not relate either to finance or policy scope; rather, they reflect the level of freedom local authorities possess to manage and organise their own organisation, which I have termed Operational Freedom. Smith (1985), Rhodes (1988) and Rodden (2004) introduced a number of measures that sought to identify the level of non-financial freedom sub-national governments enjoy and, conversely, the level of 'interference' from central government.

Thus, I arrived at three domains:

- Policy Scope
- Financial Autonomy
- Operational Freedom

Having identified the common groupings, the next requirement was to identify appropriate measures within each domain. The criteria for selecting the measures (as set out in Chapter 8) were their relevance to a unitary system of government, the concept of authority and the English context. The development of the measures is explained below in my response to Research Question Three.

Although the 19 draft measures were critically reviewed as part of my examination of all of the existing 28 measures in Chapter 5, their validity had not been challenged by any external means. Furthermore, at the draft stage all the domains and measures were considered of equal importance in terms of their effect on levels of authority and this proposition needed to be tested. My two requirements to turn the draft domains and measures into final, possibly weighted, ones required both quantification and discussion. Such an input required a high level of expertise and experience, including the possibility of an in-depth discussion on any 'outlying' responses. These requirements led me to the conclusion that elite interviews would be the most appropriate technique. I consider the outcomes of the interviews in the response to Research Question Three.

The production of the LAI, as displayed at Figure 27, demonstrates that it is possible to both measure authority and provide an annual score for English local authorities. The construction of the LAI represents the final step of the Thesis Schema (p.48) which can only be contemplated once the preceding six steps are completed. In the response to Research Question Three below, I explore the importance of each step; however, at this stage I think it is worth noting the critical role that the literature review on central/local relations played in the operationalisation of the measures. Without detailed knowledge of the events that could potentially affect councils' level of authority between 1945 and 2015, it would not have been possible to populate the measures.

Q2. Can existing research based at the regional level be transferred, in whole or in part, to the local level of government?

The development of my research is heavily indebted to the work of Hooghe et al. (2010), but my thesis is not a simple transfer of their research or methods, which are based at the regional

level, to the level of English local government. There are significant similarities but also some major differences.

Similarities Between my Research and Existing Regional Level Work

Two striking similarities exist between my research and existing regional level research. The first is the concept of authority. Hooghe et al. (2010) use authority as their underpinning concept, which I have adopted but with some modifications (Chapter 2, pp.28-35). The second similarity is the use of measures that seek to capture policy scope and financial autonomy. Eight of the measurers look at policy scope to some extent, as reviewed in Chapter 5 (pp.93-94). Stephens (1974) is the first measurer of policy scope, which he calls a service index. He identifies 15 major functions and compares the proportion of total expenditure by state and local units for each function.

The most recent utilisation of this measure is by Hooghe et al. (2010) who include eight functions within their policy scope domain (p.115). Hooghe et al. ascribe different scores (from 0-4) dependent on the number of functions over which regional government has authoritative competence, using three groups which cover the first seven functions outlined above. The groups are economic policy, cultural/education policy and welfare policy. The final and highest score is reserved for regional government that has authority over all three policy groups together with immigration or citizenship. While agreeing with the scope of functions identified by Hooghe et al., I did not group them together. My justification for measuring the individual functions separately is twofold. First, there is the precedent created by Brancati (2006) and Rodden (2004) (considered at page 117) who both identify specific individual functions and use them as a measure of decentralisation, rather than grouping them together and giving them a collective score, as in the case of Stephens (1974) and Hooghe et al. (2010).

Secondly, examining individual functions in some detail allows for a greater level of transparency, nuance and relevance. By examining individual functions, every change in the score has to be explained and justified. Thus, the justification for every change could be challenged by the reader (ensuring the potential for falsifiability and replicability). Grouping of functions can often lead to generalisations, thus missing significant changes in levels of authority. The 'fact' that local authorities discharge certain responsibilities for certain services is not sufficient in itself to measure levels of authority. Finally, any study of the changing levels of councils' authority should relate to real events. What actions resulted in changes to levels of authority? What or who was responsible for the changes? Unless these events are clearly identified it would be extremely difficult to understand the reasons for changes in the levels of authority. Without examining individual functions in detail, it would have been difficult to structure a thorough review of events.

Differences Between my Research and Existing Regional Level Work

There are clearly differences in the responsibilities of regional government and local government and, therefore, it should be expected that some problems could occur in transferring regional measures to a more local level; however, I argue that such concerns can be accommodated. Similarly, issues of financial autonomy and operational freedom can, with some adaptation, be transferred from regional analysis to the local authority level. There is, however, a major problem in transferring measures based on shared authority to the council level in England. The concept of shared authority is an important element of the work of Hooghe et al. (2010, p. 6), who claim it is an appropriate consideration across a range of governance arrangements. The concept of shared authority comes from the work of Elazar who, according to Watts (2000, p.161) uses it as part of his definition of federalism along with self-rule (which is the other dimension that Hooghe et al. use to group their measures). Elazar (1991) unequivocally equates shared rule with federalism – 'shared rule (or federal

government)'. Shared rule as conceived by Elazar and used by Hooghe et al. is unquestionably a federalist concept and thus raises serious conceptual and practical concerns in applying this approach to non-federal forms of government (such as the UK and England in particular).

Hooghe et al. see shared rule as a process of co-determination between regional government and national government across a number of responsibilities – law making, shared executive control of intergovernmental meetings, fiscal control, and constitutional reform. An important aspect of shared rule as used by Hooghe et al. is to capture the extent regional government exercises authority beyond their territory and over the country as a whole. Not surprisingly, regional governments in unitary systems do not score well regarding shared rule, as set out most extensively in Hooghe et al. (2016, Appendix - Regional Scores). Questions are raised as to what precisely Hooghe et al. are measuring with regard to shared rule. Is it levels of authority or levels of federalism? To conclude that it is the latter, would mean that such aspects of shared rule can only manifest themselves in a federal system. Such a conclusion would not, in my view, be entirely fair as it is possible in a non-federal system of government for regional government to share one or all of the four responsibilities outlined above; however, it is less likely.

It could be argued that the lack of relevance of Hooghe et al.'s self-rule measures to unitary states should not rule out any consideration of their transfer to an analysis of levels of authority of English councils. However, it is my conclusion is that it is not desirable and, indeed, even possible. In Chapter 6, I outline the events that took place between 1945 and 2015 that impacted on the level of English councils' authority, and it is clear that councils never have had any responsibility for the four elements of shared rule identified by Hooghe et al. The undesirability of using the shared rule measures in the case of English councils, therefore, relates to the conceptual difficulties of using federal measures in a unitary context

and practical issues in terms of their irrelevance. The practical difficulties arise in comparative studies and single case studies and range from unhelpful to misleading. In a single case study such as English councils, the use of shared rule measures is simply irrelevant. For comparative studies, the use of shared rule measures can seriously bias the results in favour of federal systems and against non-federal nations.

In conclusion, I have argued that it is possible to transfer, at least in part, regional level research to the local level; however, real difficulties exist in the transfer of measures of self-rule to unitary systems of government.

Q3. How can authority as a concept be operationalised for the purpose of measuring changes in the levels of centralisation/decentralisation at the local government level?

The operationalisation of the concept of authority for the purpose of measuring changes in the levels of centralisation/decentralisation at the local level followed the Thesis Schema set out at page 48. This schema was an adaptation of the work of Adcock and Collier (2001). The development of the measures of authority entailed seven specific steps:

- Step 1. The development of the underpinning concepts, including authority (Chapter 2)
- Step 2. Understanding the literature on the measurers and measures (Chapters 4 and 5)
- Step 3. Defining the context of the changing patterns of councils' level of authority between 1945 and 2015 (Chapter 6)
- Step 4. Systemisation through the development of draft domains and measures (Chapter 7)
- Step 5. Validation of the draft domains and measures through elite interviews (Chapter 7)
- Step 6. Operationalisation of the measures (Chapter 8)

- Step 7. Constructing the Local Authority Index (Chapter 9)

The conceptualisation of the measures is covered in the first six chapters and the operationalisation takes place in Chapter 8. However, it is a single process. Without the initial elements of my research, the operationalisation of the measures would lack rigour relevance and transparency. The first three steps involved defining the underpinning concepts, identifying a list of measures that had previously been used by 'the measurers', and then articulating the events between 1945 and 2015 (using the existing literature) that had affected levels of council authority in England. The fourth step entailed the identification of three domains and 19 draft measures, selected on the basis of their relevance to the conceptual framework and the context of the case study, as set out below:

Relevance to a Unitary system of Government

As noted in both Chapter 3 and 4, a number of measures have been developed to quantify the levels of democracy that exist in particular countries. Such measures often reflect a preference for federal systems of government and, therefore, are often not relevant in non-federal arrangements. Consequently, these measures were excluded as possible measures for unitary government such as the UK and England in particular.

Relevance to the concept of authority

The consideration of the concept of authority proved particularly challenging in the selection of my draft measures and led to the rejection of some powerful and frequently used existing measures. The most notable measures that do not measure levels of authority relate to finance and are considered in some depth at the start of Chapter 4, but essentially the amount of local finance does not relate to the level of authority councils have or how it is spent. Similar concerns relate to the number of staff employed by local councils, both absolutely and in comparison, with, the national government. As noted earlier, there could be circumstances

where local authorities employ a considerable number of staff, but their tasks are laid down in detail by another organisation including, for example, central government. In such a situation, it would be the organisation that prescribed the tasks and not the employer that exercises authority.

Relevance to the English context

Chapter 6 enabled me to determine what measures were and were not relevant to the English context between 1945 and 2015. If an existing measure did not resonate with the English experience, then clearly it would be pointless to take it forward as one of my own draft measures. A good example of this is a measure used by Rodden (2003), Woldendorp (1998) and Hooghe et al. (2010) that covers the ability of regional government to veto certain central government decisions. Clearly such a power has never existed for English local government. A number of discarded measures addressed the concept of shared authority because there is little evidence that such occurrences existed in the English context between 1945 and 2015.

By applying the above criteria, I developed 19 draft measures as follows drawn from and adapted from 28 existing measures identified in Chapter 5:

Policy Scope (PS)

PS1. Economic Policy

PS2. Education

PS3. Social Services

PS4. Police

PS5. Transport

PS6. Public Utilities

PS7. Health

PS8. Housing

PS9. Planning

PS10. Fire

Financial Autonomy (FA)

FA1. Setting the base of local taxes

FA2. Setting the rate of local taxes

FA3. Control over revenue and capital spend

FA4. Ring fencing of government grants

FA5. Freedom to borrow

Operational Freedom (OF)

OF1. Audits and Inspections

OF2. Political Freedoms and interventions

OF3. Ultra-Vires and the general power of competence

OF4. Local appointment – terms and conditions

Although the domains and draft measures were critically reviewed as part of my examination of all of the existing 28 measures in Chapter 5, their validity had not been challenged by any external means. As outlined in Chapter 3 (pp.59-60), I concluded that the most appropriate method to validate the domains and measures would be through the use of elite interviews with senior local government practitioners. The validation stage is the fifth step of the LAI Schema. Although challenging, the elite respondents were largely supportive of the draft

domains and measures, which enabled me to take them forward to the next stage and to operationalise the 19 measures, grouped within the three domains.

The operationalisation of the measures (step six of the LAI Schema), followed a basic approach that was consistently applied. Firstly, an ideal model for each measure was constructed that included all the elements which could determine the level of authority local councils have over a particular aspect, function or activity. Each model measure was then scored from zero to ten with ten representing the maximum level of authority. Some of the models are quite complicated as, for example, Measure PS2 Education, where a possible range of scores are identified for eight sub indicators; however, others are relatively simple, such as Measure PS6 Public Utilities, which simply captures the percentage of public utilities owned by councils. The model measures were then populated by actual scores based on the events identified in Chapter 6. By way of example, measure FA5 tracks the level of local freedom to borrow compared with the level of central control. The model for this measure provides a scale of seven different points, ranging from strong local control which is given a score of 10 through to total central control, which attracts a score of zero. With reference to the literature reviewed in Chapter 6, I was able to track the levels of central and local controls and assign a score (based on the seven point scale) for this measure for each year between 1945 and 2015.

A critical element of the scoring process was the weighting of the measures, which was provided by the elite respondents, as set out at Appendix4. Before starting the interviews, I was undecided as to whether I should apply an additional weighting to each measure based on the domain score provided by the respondents or to ignore the domain weighting entirely. I consider both approaches in Chapter 7 (p. 206) and developed alternative methodologies as set out in Appendix 11. On balance, I concluded that the weighting of the domains was unnecessary.

The final scores for each measure were then aggregated by one of the three domains and presented together as a single index. The LAI is produced by combining each measure score into one of the three domains, which in turn are amalgamated to form the LAI as shown in Figure 27.

Q4. How has the level of council authority changed in England between 1945 and 2015?

The LAI shows a strong graphical illustration of the changing levels of council authority between 1945 and 2015. In particular, the LAI demonstrates that there has not been an unremitting decline in authority over the whole study period; indeed, it was not until 1973 that an overall sustained decline is evident. Even post 1973, there were specific years in which levels of authority increased.

In Chapter 9, I give particular consideration to three aspects of the change of council authority between 1945 and 2015:

- Chronology (when did the loss and gain in authority take place with particular reference to the three epochs identified in Chapter 6?)
- Changes in authority within the domains
- Relationship between political parties/individual governments and levels of authority

I sought to examine how the LAI relates to the commonly defined epochs of the post war period. In the case of the first epoch, 1945-1974 (I described as a period of consensus and stability), it would be expected (with reference to the literature review in Chapter 6) that the LAI score would be static or slightly increasing. The LAI actually shows an increase of the LAI score of 10 per cent. The early years of the 1945-50 Labour Government saw a significant increase in the levels of local authority (which in itself was responsible for most of the overall increase in the levels of authority for the epoch), followed by a remarkable period of stability with no significant change in the levels of local authority between 1959 and 1974.

The second epoch, 1974-1997 (termed a period of rupture in the relationship between central and local government), the expectation (with reference to the literature) would be a sharp decrease in the level of authority. The LAI shows a 30 per cent decline in the levels of councils' authority. In the final epoch, 1997-2015 (termed earned autonomy), the expectation would be a continuing decline in the levels of authority but with some respite. The LAI shows that levels of authority continued to decline but by a far smaller amount than the previous epoch (- 7 per cent). Indeed, from 2006 onwards, levels of authority began to recover.

In broad terms, the LAI reflects the conclusions found in the literature review that identifies the three epochs. However, the fit is not perfect. Two examples of the mismatch between the LAI and the literature are worthy of note. The first example concerns the end of the first epoch, which is commonly identified as 1974. The LAI, however, identifies a significant decline in the levels of authority in 1973, which is more characteristic of the second epoch than the first. The second example concerns the start of the third epoch and, in particular, the period 1997 to 2000. During these three years, levels of authority declined significantly, which is more characteristic of the second epoch than the third. A possible reason for the slight differences between the LAI and the literature is the tendency of researchers to identify periods based on the governments in power, rather than the events that drive the LAI.

The changes in levels of authority within each of the three domains is not constant for each epoch. In other words, if overall authority declines in one epoch it is not necessarily the case that the decline takes place across all domains. Levels of authority in the policy scope domain have, however, decreased in almost every year since 1948, primarily due to the loss of responsibilities in education, utilities, health and housing. This picture reflects well the idea of an 'unremitting decline in authority over the whole study period' referred to above. Financial autonomy has declined by exactly a half over the study period, with the most

dramatic falls occurring during the second epoch, specifically, 1980-1990 (- 44 per cent) and during the start of the third epoch 1998-2003 (- 40 per cent). The decline in financial autonomy is the biggest cause of the overall decline in the level of council authority. As noted in Chapter 9, the decline in financial autonomy is due both to technical and political reasons. The technical reason relates to the decision by the Wilson Government to treat local government expenditure as part of the national public expenditure process and, thus, when greater controls were placed on national expenditure, controls on local expenditure inevitably followed. The political reasons for the decline in financial autonomy in general and the loss of control over local spending (LAI Measure FA3), can be traced back to the end of the Callaghan Government (1978/79) and the start of the Thatcher Government (1979). Regarding the latter, there was a view that a number of Labour councils were grossly extravagant and needed to be controlled to protect local business and rate-payers. From this point on, there is a growing indication that central government did and perhaps still does not trust local government on financial matters.

In the case of operational freedom, levels of authority increased over the study period by 39 per cent, although it did drop during the second epoch by 16 per cent, the most notable years being between 1984 and 1993. Changes in levels of authority for this domain can be grouped thus, according to the three epochs:

- 1945-1979 Increased levels of authority (+14 per cent)
- 1979-1997 Decreased levels of authority (- 24 per cent)
- 1997-2015 Increased levels of authority (+28 per cent)

Presenting the scores for operational freedom by epoch does not, however, precisely reflect the changing levels of authority over time. The increase in the level of authority for this

domain over the first epoch actually extended until 1984 and the decrease in authority during the second epoch continued until 1999.

10.4 How the research has added to the theory of centralisation/decentralisation.

This thesis responds to the four research questions outlined above and, in doing so, contributes to existing theoretical positions in a number of ways. Firstly, it supports the literature on UK central/local relations. Secondly, it augments the work of Adcock and Collier (2001) on measurement validity. Thirdly, it provides an in-depth and novel analysis of existing attempts to measure sub-national changes in levels of centralisation/ decentralisation. Finally, it translates in part at least, regional level research to the local council level to provide a unique measure of decentralisation/centralisation for English local authorities between 1945 and 2015. Although inspired by previous attempts to measure centralisation/decentralisation at the regional level, my approach to constructing the LAI is entirely original.

10.4.1 Support for the existing discourse on central/local relations in England

In the introduction to this thesis, I noted that the declining authority of English councils is an almost universal observation by political scientists, whether this is through analysing in minute detail central government's interference (Chandler, 2007, p.xi), the control of local finance by the centre (Rhodes, 1984, p.268), the imposition of national standards to override local choice (Copus et al., 2017, p.30) or the erosion of local government service delivery (Stoker and Wilson, 2004, p.1). However, the unanswered question is, how do we know this to be the case? The LAI clearly shows the changes in the levels of authority at the local level across the three domains of policy scope, financial autonomy, and operational freedom. With some interesting nuances, the LAI supports the conclusions of most researchers that England,

at least, has become more centralised since 1945. A common way to describe central/local relations since the war is to identify three periods starting with a period of stability up until 1979, followed by a period of rupture which lasted until 1997, and concluding with a period of a new order of earned autonomy to 2015. The LEA confirms this basic categorisation when responding to Research Question 4 (see above). There are slight differences in the precise years that define the three periods but, overall, there is a clear association between the LEA and the extant literature.

10.4.2 Augmentation of measurement validity

Adcock and Collier (2001) produced a well-respected framework to assess issues of valid measurement which, amongst others, was used by Hooghe et al. (2010) to frame their comparative research into regional authority. However, this framework is very much an internal construct, which does not allow for any significant external challenge. The 'schema' I used and included at Fig 1 is an adaptation of the Adcock and Collier framework but introduces an external challenge in the level five validation stage, through the use of elite interviews. The elite respondents provided increased rigour to the measuring process, adding the view of senior practitioners to that of the academics. Such an approach represents a novel development to an existing and accepted measurement validation framework.

10.4.3 A unique measure of centralisation/decentralisation

Although building on existing attempts to measure centralisation/decentralisation, the LAI in my research offers a unique quantification of changing levels of authority exercised by local councils in England between 1945 and 2015. The LAI is tailored, quite deliberately, to the English context, which does not fit well with assumptions made with many comparative studies on levels of decentralisation as argued above my response to Research Question 2.

10.4.4 Analysis of existing attempts to measure sub-national changes in levels of centralisation/decentralisation.

As part of the process of understanding the development of measures of decentralisation, I focussed on the motivation and theoretical positions of the various researchers who developed the measures, whom I have called the measurers. Although, as Schneider (2003, p.35) notes, researchers who measure decentralisation 'often end up talking past one another', there are groupings of researchers that appear to share a common rationale and motivation which, it should be noted, does not necessarily translate into a shared approach. I have identified three main groupings as set out in Fig 2 in Chapter 4 (p.67):

- Federalist Measurers
- Central/Local Relations Measurers
- Authority Measurers

The modern origins of measuring centralisation/decentralisation in political science are deeply rooted in the study of federalism in the late 1960s and 1970s, but there is more than a single root. It is my contention that there are three theoretical starting points for the measurement of decentralisation: **federalism**, which includes the study of different levels of democracy, fiscal federalism and the study of particular phenomena relating to political structures, the study of **central/local relations,** and studies relating to the distribution of **authority** on a comparative basis across different countries. However, there are also overlaps between the three traditions, particularly around the use of authority in the development of measures by the federalists.

As I have just noted, the researchers within the three traditions do not necessarily follow a shared approach to measuring. I have categorised the different approaches in Chapter 4 as follows:

- Descriptive Measurers – Where no numerical values are provided
- Statistical Measurers – Numerical values are provided but only relate to individual measures and are not combined with other measures
- Codified Measurers – Weighted scores are developed and combined to give a single score but only for grouped measures, which are often presented as domains (e.g. financial measures)
- Single Index Measurers – All measures are codified and presented together in a single index

I am not aware of previous attempts to analyse the traditions and approaches of the measurers; hence this constitutes an original contribution to the subject of measuring centralisation/decentralisation.

10.5 Policy Contributions

The ultimate output from my research is the construction of the LAI, which provides a unique measure of the changes in the levels of authority of English councils between 1945 and 2015. The LAI can be used for a variety of purposes including, as I touched on in Chapter 9, the propensity of different political parties to centralise. The most striking conclusion that I have drawn from the LAI is that, since 1973, other central government priorities always take precedence over local 'independence' and there are always 'good reasons' for this, whether they be financial considerations, concerns over the 'post code lottery', or political ideology. Within a unitary system of government, central government will always retain ultimate authority over local government and, where there is no written constitution, the removal of authority from local government can appear quite arbitrary at times. The defence of the local can only be mounted with reference to longer term trends based on robust measuring of 'the facts' to counter another good reason to centralise.

The tussle between English local government and central government over differential levels of authority is an enduring feature of central/ local relations; however, the 'battleground' has shrunk dramatically in recent years and there is no debate about a fundamental realignment of central/local relations. The tightening of financial controls on local councils imposed by central governments since the 1970s is seldom debated and the prospect of local councils owning and running the country's major utilities or, indeed, the health service would be considered risible. It is only by considering the long term decline of councils' authority, based on robust research, that the 'battleground' can be enlarged, and the *status quo* challenged.

10.6 Limitations of the Research

The limitations of my research have been discussed in the preceding chapters, but the three most significant issues are as follows:

- Omission of some local authority functions
- Limitations of a PhD project in scale and scope
- Traditional approach to defining authority and decentralisation

The measures identified within the policy scope domain aim to be as comprehensive as possible. However, the scope and range of local authority functions is immense and, perhaps inevitably, some areas have received less attention. For example, while Environmental Health is covered to some extent in the measure covering health (PS7), it undoubtedly deserves greater consideration. I do not, however, consider that the overall findings of my research have been biased by this lack of detail.

The construction of detailed measures such as the LAI are usually carried out by groups and institutions and are not generally embarked upon by a single person, as is the requirement of a PhD. Recent research by academics such as Hooghe et al. (2016) was supported by a team

of eight research assistants; other indices similar to the LAI (in terms of subject area), such as the EIU Democracy Index, the Freedom Foundation Freedom of the World Reports and the OECD Fiscal Design Surveys are carried out by international institutions. In a small PhD project, it is inevitable that less detail can be provided. I do not consider that such shortcomings undermine the validity of the research in general and the contribution of the LAI in particular.

I have taken a very traditional approach to the underpinning concepts of authority and decentralisation. In terms of authority, I hope I have successfully defended the use of what Hooghe et al. (2010, p.5) term the 'standard political science definition'. However, the traditional definition of decentralisation, particularly in relation to a shift to 'local governance', may be more problematic. The level of authority that councils collectively exercise over their territory is not just a matter between central government and elected local government. Such a view could be considered simplistic, given the range of organisations and agencies now involved in making policy and delivering services at the local level, but it does not follow from this that the analysis of changing levels of authority held by local government is unimportant.

It is not unusual in Westminster unitary system of government (with or without a written constitution) that the centre will determine the level of authority local units of government can exercise over their territory. Most importantly, central government can 'by-pass' local government and confer authority directly to institutions and individuals that exist and operate within the territory of a local authority and, as such, this would represent a loss of authority for the local council and, possibly, central government as well. In such a situation, the binary concept of centralisation/decentralisation is not helpful, as it does not help us understand the level of authority exercised by local government. It is not always the case that, as local government loses or gains authority, central government gains or loses authority by the same

amount. In other words, levels of authority within a territory are not contained within a sealed central/local government envelope – it is not a zero-sum game. A good example is provided by the ownership and control over what were once termed public utilities. When they were nationalised, it is clear authority passed to central government from local government as councils lost their ability to deliver such services; however, although privatisation reduced central authority, this did not affect the level of local authority; rather, authority flowed to the private sector.

In section 2.4, I traced the development of our understanding of the concept of decentralisation as the simple transfer of authority from a higher level of government to a lower level of government, through to the 'modern definition' of decentralisation where there is not one *centre* but many, and where *local* does not just apply to local government. Such changes in our understanding raises the question of whether it is still possible to describe a transfer of power from central government to local government as decentralisation. It could be argued that it is an oversimplification in the sense that it would fail to take account of the supra national and non-governmental factors considered by Cheema and Rondinelli (2007) or the localism and governance issues raised by Lowndes and Sullivan (2007), but would it be misleading? This dilemma could best be examined by way of an example. Changes to the education system between 1979 and 2010 resulted in a major loss of authority for many local councils and would thus be described, using the traditional definition, as centralisation. However, many would argue that, at the same time as reducing the authority of LEAs, significant levels of authority were passed directly to a large number of schools, which could be described as decentralisation (Pollitt et al., 1998, pp. 102-123). In the above example, local councils lost authority to the centre and to other local actors. As Copus explains, 'Local government is then rhetorically squeezed from above and below, at the same time' (Copus et al., 2017, p. 29).

As noted above (p.314) much of the literature favours an examination of local governance rather than local government but does it follow that such changes should change the measurement of authority of local government? In other words, should the unit of measurement of local authority pass from local government to local governance to reflect the changing nature of local politics that scholars have identified over the last 30 years? I have concluded that it would not be appropriate to do so. My reasons for this conclusion are a combination of practicalities (the difficulties of capturing meaningful data from so many diverse organisations – see section 2.7 above), the theoretical stance I have adopted (Section 2.2), the continued relevance of local government as a unit of political analysis (2.7.3) and, finally, the relatively long-term nature of my research period (also 2.7.3).

In terms of the practicalities of measuring local governance, it would be extremely difficult, if not impossible to do so, for the reasons set out at page 188. Even in the case of centrally instigated local governance arrangements such as LEPs, significant variation in their extent and operations are evident (Pugalis and Bentley, 2013, p.869).

10.7 Future Research

In Chapter 6, I identified key events affecting the level of councils' authority. The chapter contains a considerable level of detail but, as I note at 10.6, there are limitations to the level of data capture. The possible short-comings in the data relate primarily to the policy scope measures, which can only be addressed through more detailed analysis. One area of future work could be an in depth analysis of specific council functions using the methodology developed in this research. Consideration of a single function could provide an opportunity to address other concerns identified in 10.6, such as the impact of local governance on levels of council authority. In addition, other issues raised in this research such as the role of non-elected council staff and the professions in the decision making process could be scrutinised (see for example the responsibility of teachers in deciding the curriculum – Measure PS2).

Another possible future area of research could be to extend the study period to 2020. By extending the LAI by five years, it would be possible to capture the effect of English 'devolution' once the new arrangements are clearer.

The final words of this thesis belong to Stevens, commenting on the limitation of any measuring scale:

> Any particular scale, sensory or physical, may be objected to on the grounds of bias, low precision, restricted generality, and other factors, but the objector should remember that no scale used by mortals is perfectly free of their taint. (Stevens, 1946, p.680)

APPENDIX

Appendix 1: The Functions of English Local Authorities

Function	Tier*
Arts and recreation	County/District
Births, deaths, and marriage registration	County
Building Regulations	District
Burials and Cremations	District
Children's Services	County
Coastal protection	District
Community Safety	District
Concessionary travel	County
Consumer protection	County
Council Tax and Business Rates	District
Economic Development	County /District
Education	County
Elections	District
Emergency Planning	County
Environmental Health	District
Highways	County
Housing	District
Libraries	County
Licensing	District
Markets and Fairs	District
Minerals Planning	County
Museums and galleries	County/District
Parking	County/District
Passenger Transport	County
Planning	District
Public Conveniences	District
Public Health	County
Social Services	County
Sports Centres Parks and Playing Fields	District
Street Cleaning	District
Tourism	County/District
Trading Standards	County
Waste Collection and Recycling	District
Waste Planning	County

Source: The Author

*Unitary Councils cover all functions

Appendix 2: The Leviathan Hypothesis

In 1978 Geoffrey Brennan and James Buchanan produced a paper for the American *Journal of Public Economics* entitled 'Tax Instruments as Constraints on the Disposition Of Public Revenues'(Brennan and Buchanan, 1978), which was followed in 1980 by a book entitled 'The Power to Tax – Analytical Foundations of a Fiscal Constitution' (Brennan and Buchanan, 1980). In these publications they postulate that one way of controlling a monolithic government that seeks to exploit its population through the maximisation of the tax revenues is through fiscal decentralisation. This hypothesis generated a significant debate in the 1980's, including a contribution from Oates (1985) and Rodden (2003), which enhanced the view held by many fiscal federalists that decentralisation is a virtuous phenomenon and of equal importance needs to be measured in order that such hypothesis can be empirically tested.

A number of other scholars including Rodden (2003), Ebel and Yilmaz (2003), Stegarescu (2005), Ashworth et al. (2013), Arzaghi and Henderson (2005) have also made important contributions in developing decentralisation measures relating to grants and transfers to sub-national governments in response to the Leviathan hypothesis.

Appendix 3: The Polity Data Series

The Polity data series measures the democratic and autocratic characteristic of every country in the world with a population of more than 500,000 on an annual basis. The first data set (Polity 1) was produced by Gurr in 1971 and included a measure of centralisation /decentralisation. Subsequent data sets have refined the original concept but now no longer includes any measures of centralisation/decentralisation. Four Polity Data Series have now been produced:

- Polity I 1971 (Gurr)
- Polity II 1989 (Gurr, Jaggers and Moore)
- Polity III 1994 (Jaggers)
- Polity IV 2018 (Marshall)

The Polity data series is widely used in the classification of individual countries level of democracy both in political science and political journalism.

In essence, authority patterns are the structures through which decisions are made and enforced. In Eckstein and Gurr (1975) a number of dimensions were identified and used to characterise the different authority patterns and were subsequently taken forward in the POLITY II measures. Like POLITY I, POLITY II included a measure of the centralisation of political authority. This measure categorised the centralisation of political authority into three cases: centralised, intermediate, and decentralised. Western federal states as a rule were generally considered to be decentralised. In addition, POLITY II included measures on central government expenditures, revenue, and national accounts (measures 1 – 5). The POLITY II code book was taken forward in Gurr et al. (1990) as a binary codified measure of autocracy and democracy. POLITY III was developed at the University Of Maryland and looked at 161 states measuring levels of democracy and autocracy (Jaggers and Gurr, 1995)

in a similar way to POLITY II. Measuring levels of centralisation did not however survive into POLITY IV. The authors of POLITY IV concluded that' 'We regard the concentration of power in the hands of state authorities to be analytically and functionally distinct from democracy and autocracy' (Marshall et al., 2016, p.36).

Appendix 4: Elite Respondents

Chief Executives

Simon Baker (SB)	Staffordshire Moorlands Council and High Peak Council)
Mark Rogers (MR)	Former CE of Birmingham City Council
Martin Reeves (MRe)	Coventry City Council
Nick Bell (NB)	Former CE of Staffordshire County Council. CEO of Prospects
Jerry Hutchinson (JH)	North Warwickshire Borough Council
Joyce Redfearn (JR)	Former Chief Executive of Wigan Council
Wallace Sampson (WS)	Harrogate Borough Council
Joanne Lancaster (JL)	Huntingdonshire District Council

Leaders/ Elected Mayors

Roger Lawrence (RL)	Labour Leader of Wolverhampton City Council
Marianne Overton (MO)	Leader of the LGA Independent Group
Dave Hodgson (DH)	Directly Elected Lib Dem Mayor Bedford Borough Council
Philip Atkins (PA)	Conservative Leader of Staffordshire County Council
Jason Kitkat (JK)	Former Green Leader of Brighton and Hove City Council
Helen Dawson (HD)	Former Labour Leader of Haringey Borough Council
Sean Anstee (SA)	Conservative Leader of Trafford Metropolitan Council

Civil Servants

Lord Bichard (LB)	Former PS at the DfES

Other Experts

Andy Burns (AB)	President of CIPFA (2018)
Mike Burton (MB)	Editorial Director of the MJ

Appendix 5: Summary of Interview Guide

Measuring Levels of Authority in England 1945 – 2015

Summary of Interview Guide

Introductions

Outline of the research and importance of interviews

Reporting arrangements

Administrative arrangements

Consent form
Confidentiality arrangements

Any questions at this stage

Interview Structure

The interviews will be semi structured, but individuals will not be constrained from commenting on other issues they feel are pertinent to the research. There will be three parts to the interview as follows:

- Comprehensiveness. To what extent does the interviewee consider that the researcher has identified the main areas (domains) that are important in ordering the measuring of decentralisation/centralisation i.e. operational freedom, financial autonomy, and policy scope. An opportunity will also be given for responders to share their experience of significant events that have changed the levels of authority within the three domains. The researcher will then introduce each individual draft measure and request the interviewee's views on their comprehensiveness or partiality. Are there any missing measures?
- Importance. Some measures could be more important to the interviewee than others. In order to help the researcher, attach the appropriate weighting to each measure the interviewees will be asked to score each measure in terms of their importance to the measuring of decentralisation/centralisation.
- Any other comments. Finally, the interviewee will be given the opportunity to provide any further comments and suggestions.

Appendix 6: Information Sheet

Measuring Levels of Authority in England 1945 – 2015. Participant Information Sheet

Description of the Research

The objective of the research is to develop an index which is capable of measuring levels of decentralisation/centralisation in relation to the UK Central Government and English local authorities over the period 1945 to 2015.

The research questions are:

1. Is it possible to measure levels of authority over time at the level of local government?
2. Can existing research based at the regional level be transferred in whole or in part to the local level of government?
3. How can authority as a concept be operationalised for the purpose of measuring changes in the levels of decentralisation/centralisation in England between 1945 and 2015?

The index (Local Authority Index - LAI) will comprise a series of measures that will be aggregated to form a single score for each year between 1945 and 2015. The annual scores will be presented as a sectional bar chart which I hope will clearly demonstrate the changing levels of decentralisation/centralisation over the period. Some of the measures will be taken from existing regional level research, some will be modified versions of the regional measures and perhaps, inevitably, gaps will emerge that need to be filled by new measures.

There is little consensus in the use and definition of the existing regional measures and as such I do not consider that it would be appropriate to simply take them forward into my research without close examination and analysis. This is equally true for any new measures developed by myself. As part of this testing process I intend to seek leading practitioners' and politicians' views on my draft measures. These views will inform the development and weighting of a final set of measures to be used for the LAI.

Invitation to Participate

You are invited to participate in a face to face interview which will typically last one hour. The venue will be at your convenience and the interview will be recorded unless you request otherwise. A typed transcript for every interview will be produced. The transcripts will be held securely and will be preserved and accessible for 10 years following the completion of the research. The transcripts will be destroyed after that time. A copy of the transcript will be made available to yourself on request within four months of the interview.

All comments used in the research will be attributable unless anonymity is requested, and they will be used in a report for policy makers.

The interviews will be semi structured based on the draft measures and aim to find out what you believe to be important in terms of measuring decentralisation/centralisation.

Participants can withdraw consent for the use of the interviews up to three weeks after the interview takes place.

Steve Winterflood

Appendix 7: Measure Pro forma

I am interested in understanding what you think is an important determinant of measuring levels of centralisation/decentralisation in England between 1945 and 2015. I have identified 19 measures which I consider to be the key measures. I would appreciate your views on the relative importance of each measure.

Measure	How important are the 19 measures as a determinant of centralisation/decentralisation? Please give a score from 10 (most important) to 0 (not important)	Any comments on any of the 19 measures
Policy Scope		
PS1 Economic Policy		
PS2 Culture and Education		
PS3 Welfare		
PS4 Police		
PS5 Infrastructure		
PS6 Public Utilities		
PS7 Health		
PS8 Housing		
PS9 Planning		
PS10 Fire		
Financial Autonomy		
FA1 Setting the base of local taxes		
FA2 Setting the rate of local taxes		
FA3 Control over revenue and capital spend		
FA4 Ring fencing of government grants		
FA5 Freedom to borrow		

Operational Freedom		
OF1 Audits and Inspections		
OF2 Political Freedoms		
OF3 Ultra Vires and the general power of competence		
OF4 Local appointments -terms and conditions		

Are there any other measures that you consider important?

Appendix 8: Consent Form

Measuring Levels of Authority in England 1945 – 2015

Consent Form

The objective of the research is to develop an index which is capable of measuring levels of decentralisation/centralisation in relation to the UK central government and English local authorities over the period 1945 to 2015.

- **Why am I doing the interviews?** To find out what key informants believe to be important in measuring decentralisation/centralisation
- **What will happen with the results?** The results will be used to inform the development of a Local Authority Index (LAI).
- **Audio recording:** This discussion will be recorded to make sure I have an accurate record. The recording will be shared with a trusted individual who will type this up. It will not be shared with anyone else other than my Supervisors.
- **Confidentiality:** Findings used in research reports will be attributable unless anonymity is requested.
- **Right to withdraw:** Once respondents have taken part in this discussion they will be able to withdraw their comments from the research within three weeks of the interview, without providing any specific reason.
- **Data retention:** The audio recording and notes of the discussion will be kept by me for 1 year following the completion of my thesis. After this period, they will be deleted; this information is no longer needed as the main findings will be in my thesis.
- **Complaints process:** If you have concerns about the research please contact Prof Vivien Lowndes by emailing

Permission

(To be signed at the start of the interview)

I give my permission to take part in this discussion. I understand the purpose of the research and agree the discussion can be recorded.

Name (Print): Signature:
Date:

☐ I request that the interview be anonymous.

☐ I do not require the interview to be anonymous.

More Information

If you if have any questions about the research, please contact me:

Steve Winterflood [redacted]

Appendix 9: Interview Protocol

Elite Interviews Protocol

Thank you

The general view of most political scientists is that countries around the world are becoming less centralised and more decentralised but, as Lane & Ersson (1994) state,

> 'As a matter of fact, only the UK appears to have moved in the opposite direction'.

How do we know this to be a fact? There appears to be no measure of decentralisation that is both robust and sensitive enough to record the ebb and flow of authority between English local government and central government over time. My aim is to provide a score of decentralisation/centralisation for each year between 1945 and 2015.

I'm trying to measure the levels of centralisation/decentralisation for local authorities in England between 1945 and 2015. My aim is to provide a score for each year over that period. Lots of work has been carried out on measuring levels of decentralisation on a comparative basis across a number of countries specifically between central government and regional government. A major development took place in 2010 when Hooghe Marks and Schakel developed a set of measures to determine the extent of decentralisation that had taken place across 42 countries in terms of regional government. My research aims to take their work, with amendments, forward to do the same for local government in England. All my draft measures like Hooghe et al. Marks and Schakel are based on levels of authority but unlike Hooghe et al. I have included considerations of informal authority as well as formal authority. Informal authority allows me to look at such things as non-binding inspection regimes.

In common with many researchers I have put my draft measures into a number of groups – domains:

1. Policy Scope - which is the range of services provided by local authorities.
2. Financial Autonomy. I have not included the level of grant from central government.
3. Operational Freedom. Power of general competence, staffing matters, political controls and audits and inspections.

What I need to look at next is to consider the desirability of weighting either the domains and measures. So, it would be really helpful if you could tell me how important you think the domains are in terms of authority. My starting point is that they are not weighted, and each has a score of 10. Out of 10 (being the highest possible level of authority) how important do you think each domain is in terms of measuring levels of authority?

Can I now turn to the individual draft measures? What I would like to do is to discuss each measure in turn and then to ask you to score them on a scale of 0 (not important) to 10 (most important). I would like to consider the measures within each domain. I am not looking for your help in developing the details of the measures although of course if you wish to bring anything to my attention please feel free to tell me.

Policy Scope

Between 1945 and 2015 functions carried out by local authorities have changed. Some researchers have concluded that local responsibility for key services is an important measure of decentralisation as do I. At this stage I am not asking you to help in determining the level of local self-determination for each service. Clearly this varies from service to service, but this will be addressed when I carry out the detailed measuring. What I would like to know are your views on how important you think each service area is, in terms of local levels of authority. Is for example local control over immigration more important than local control over the fire service in terms of determining levels of authority? Although I do differentiate between power and authority in my research it might help in answering this question for you to consider if a

particular function gives more decentralised power than others. Can you rate them on a score of 0 to 10?

Policy Scope (PS)

PS1. Economic Policy

PS2. Culture and Education

PS3. Welfare

PS4. Police

PS5. Infrastructure

PS6. Public Utilities

PS7. Health

PS8. Housing

PS9. Planning

PS10. Fire

Financial Autonomy

Financial autonomy is a very popular domain for political scientists in measuring decentralisation. Many different financial measures are used, and I have rejected quite a few including:

- Level of central government financial support
- Proportion of local expenditure against all public expenditure
- Local public expenditure as a proportion of GDP

There are other variations on these themes. I have rejected these types of measures because in my view they are not measures of authority. The measures I have chosen are:

Financial Autonomy (FA)

FA1. Setting the base of local taxes

FA2. Setting the rate of local taxes

FA3. Control over revenue and capital spend

FA4. Ring fencing of government grants

FA5. Freedom to borrow

Could you score their importance on a scale of 0 to 10?

Do you think I am correct to rule out the measures relating to the levels of government financial support?

Have I missed any other important financial measures?

Operational Freedom

This list of measures tries to capture the informal elements of authority.

Operational Freedom (OF)

OF1. Audits and Inspections

OF2. Political Freedoms

OF3. Ultra-Vires and the general power of competence

OF4. Local appointment – terms and conditions

Could you score their importance on a scale of 0 to 10?

Have I missed any other measure of operational freedom?

Do you have any further comments?

Thank You

The Domains

What I need to look at next is to consider the desirability of weighting the domains. So, it would be really helpful if you could tell me how important you think the domains are. My starting point is that they are not weighted, and each has a score of 10. Out of 10 (being the highest possible level of authority) how important do you think each domain is in terms of measuring levels of authority?

Have I missed a domain?

THANK YOU

Appendix 10: Ethics Application and Approval

UNIVERSITY OF BIRMINGHAM
APPLICATION FOR ETHICAL REVIEW

Who should use this form:

This form is to be completed by PIs or supervisors (for PGR student research) who have completed the University of Birmingham's Ethical Review of Research Self Assessment Form (SAF) and have decided that further ethical review and approval is required before the commencement of a given Research Project.

Please be aware that all new research projects undertaken by postgraduate research (PGR) students first registered as from 1st September 2008 will be subject to the University's Ethical Review Process. PGR students first registered before 1st September 2008 should refer to their Department/School/College for further advice.

Researchers in the following categories are to use this form:

1. The project is to be conducted by:
   - staff of the University of Birmingham; or
   - postgraduate research (PGR) students enrolled at the University of Birmingham (to be completed by the student's supervisor);
2. The project is to be conducted at the University of Birmingham by visiting researchers.

Students undertaking undergraduate projects and taught postgraduate (PGT) students should refer to their Department/School for advice.

NOTES:

- An electronic version of the completed form should be submitted to the Research Ethics Officer, at the following email address: aer-ethics@contacts.bham.ac.uk. Please **do not** submit paper copies.
- If, in any section, you find that you have insufficient space, or you wish to supply additional material not specifically requested by the form, please it in a separate file, clearly marked and attached to the submission email.
- If you have any queries about the form, please address them to the Research Ethics Team.

X Before submitting, please tick this box to confirm that you have consulted and understood the following information and guidance and that you have taken it into account when completing your application:

- **The information and guidance provided on the University's ethics webpages (https://intranet.birmingham.ac.uk/finance/accounting/Research-Support-Group/Research-Ethics/Ethical-Review-of-Research.aspx)**
- **The University's Code of Practice for Research (http://www.as.bham.ac.uk/legislation/docs/COP_Research.pdf)**

UNIVERSITY OF BIRMINGHAM APPLICATION FOR ETHICAL REVIEW	*OFFICE USE ONLY:* Application No: Date Received:

1. TITLE OF PROJECT

Measuring changes in the levels of decentralisation/centralisation between central government and English Local Authorities, 1945-2015.

2. THIS PROJECT IS:

University of Birmingham Staff Research project ☐
University of Birmingham Postgraduate Research (PGR) Student project **X**
Other ☐ (Please specify):

3. INVESTIGATORS

a) PLEASE GIVE DETAILS OF THE PRINCIPAL INVESTIGATORS OR SUPERVISORS (FOR PGR STUDENT PROJECTS)

Name: Title / first name / family name	Prof Vivien Lowndes
Highest qualification & position held:	PhD, Professor
School/Department	INLOGOV
Telephone:	
Email address:	

Name: Title / first name / family name	Catherine Mangan
Highest qualification & position held:	Director of INLOGOV
School/Department	INLOGOV
Telephone:	
Email address:	

b) PLEASE GIVE DETAILS OF ANY CO-INVESTIGATORS OR CO-SUPERVISORS (FOR PGR STUDENT PROJECTS)

Name: Title / first name / family name	
Highest qualification & position held:	
School/Department	
Telephone:	
Email address:	

c) In the case of PGR student projects, please give details of the student

Name of	Stephen	Student No:	
Course of	PhD	Email	
Principal	Prof Lowndes		

Name of student:		Student No:	
Course of study:		Email address:	
Principal			

4. ESTIMATED START OF PROJECT Date: Sept 2016

ESTIMATED END OF PROJECT Date: 01/09/2019

5. FUNDING

List the funding sources (including internal sources) and give the status of each source.

Funding Body	Approved/Pending /To be submitted
Self-funded	

If you are requesting a quick turnaround on your application, please explain the reasons below (including funding-related deadlines). You should be aware that whilst effort will be made in cases of genuine urgency, it will not always be possible for the Ethics Committees to meet such requests.

No

6. SUMMARY OF PROJECT

Describe the purpose, background rationale for the proposed project, as well as the hypotheses/research questions to be examined and expected outcomes. This description should be in everyday language that is free from jargon. Please explain any technical terms or discipline-specific phrases.

The objective of the research is to develop an index which is capable of measuring levels of decentralisation/centralisation in relation to the UK central government and English local authorities over the period 1945 to 2015.

My research questions are as follows: -

1. Is it possible to measure levels of authority over time at the local government level?
2. Can existing research based at the regional level be transferred in whole or in part to the local government level?
3. How can authority as a concept be operationalised for the purpose of measuring changes in the levels of decentralisation/centralisation in England between 1945 and 2015?

The level of decentralisation/centralisation between central government and lower tiers of government has become an increasingly important policy and theoretical issue across the globe. Most political scientists and policy makers ascribe positive benefits to decentralisation (greater efficiency, clearer accountability and greater responsiveness). But how do we know if at any point in time a sub-national administration is more or less decentralised?
From a political perspective claims are made about increased levels of decentralisation by central governments based on fairly crude and unnuanced financial data from the IMF, World Bank and OECD. But what does this data really tell us without any rigorous academic analysis?

Since the mid-1970s researchers have attempted to measure the level of decentralisation over time. Much of the research has been based on regional government. (Treisman, 2002) The research that takes the analysis through to the more local level - local authorities - tends to use the same methodology and measures that are employed at the regional level of analysis. (See Hooghe, Marks and Schakel, 2010)

My research aims to take forward the relevant theoretical approach at the regional level and

My approach is first to establish a number of domains (with reference to the regional research). They currently include financial authority, policy scope and operational freedom. The domains reflect different aspects of authority. My task is to disaggregate these abstract concepts into measures that can be weighted and aggregated into a single measure of authority for each year between 1945 and 2015. In this endeavour, I will draw on the knowledge and opinions of a number of key informants, from local and central government, through a series of semi structured interviews. The measures will be refined in the light of the interviews.

The outcome of my research will be the development of a unique measure of decentralisation/centralisation (authority) regarding English local authorities for every year between 1945 and 2015. Each year will be assigned an authority score derived from a number of measures based on the three domains outlined above. The annual authority scores or Local Authority Index (LAI) will be presented as a sectional bar chart reflecting the thee domains. The LAI will facilitate an improved understanding of the recent dynamics between central and local government in terms of the shifting levels of authority. Has there been significant change? If this is the case is the change constant or irregular? Is it gradual or based on specific events? Having developed the LAI, it will be possible to look at a number of variables (for each year of the LAI between 1945 and 2015), such as political parties in government, specific governments, voter turnout and financial circumstances.

Decentralisation has always been a key subject area in political science but over the last 50 years it has become even more important. Recent developments at the regional level in measuring levels of decentralisation have clearly demonstrated a major shift away from centralisation to decentralisation across the world. Although

7. CONDUCT OF PROJECT Please give a description of the research methodology used

A mixed methods approach will be adopted covering desk based data, data analysis, historical documentation and elite interviews. In answering the research questions, the intention is to gain a full understanding of the different theoretical and policy perspectives on decentralisation/centralisation of authority and to build on the body of work that seeks to measure differential levels of authority at the regional level.

Understanding how the different measures of decentralisation have been developed and organised is the first step of the project and will be purely desk based research. The second stage is to consider how this regional level work can be transferred to the more local level of analysis. Again, this will be purely desk based work. The third stage is to identify if there are any gaps in the transferred measures and then if appropriate fill these voids with new measures. This step will involve the use of desk based data, data analysis and historical documentation. To test the validity of these local measures I will need to seek the views of leading practitioners to refine and revise these measures to ensure that they are comprehensive and capable of being operationalised. I will

8. DOES THE PROJECT INVOLVE PARTICIPATION OF PEOPLE OTHER THAN THE RESEARCHERS AND SUPERVISORS?

Yes x☐ No ☐

Note: 'Participation' includes both active participation (such as when participants take part in an interview) and cases where participants take part in the study without their knowledge and consent at the time (for example, in crowd behaviour research).

If you have answered NO please go to Section 18. If you have answered YES to this question please complete all the following sections.

9. PARTICIPANTS AS THE SUBJECTS OF THE RESEARCH

Describe the number of participants and important characteristics (such as age, gender, location, affiliation, level of fitness, intellectual ability etc.). Specify any inclusion/exclusion criteria to be used.

The respondents will be selected using reputational criteria. Collectively they will provide expert opinion and technical knowledge across the three domains identified above. All of them have a national reputation and are recognised by their peers.

The participants in the elite interviews will be representative in terms of political allegiances for elected members and the type of organisation regarding appointed officials. I accept that there is a gender bias however this unfortunately reflects the current situation particularly in the Civil Srevice. Approximately 25 key informants will be interviewed.
The interviewees will include existing and former local authority Leaders and Chief Executives, leading retired civil servants, non-governmental MPs and technical experts
My key informants are all recognised as leading practitioners and politicians at the local and/or national level. The local political list includes the following: Ruth Dombey (Lib Dem Leader of the LB Sutton), Martin Tett (Conservative Leader of Buckingham County Council), Roger Lawrence (Labour Leader of Wolverhampton City Council), Lord Porter of Spalding (Conservative), Marianne Overton (Independent Lincolnshire County Council & LGA), Claire Kober (Labour Leader of Haringay Council).

The Chief Executives I have selected are Irene Lucas (City of Sunderland), Mark Rogers (previously Birmingham City Council), Martin Reeves (Coventry City Council), Barry Quirk (LB Lewisham), Peter Bungard (Gloucestershire County Council) and Sandra Dineen (South Norfolk District Council). In terms of the civil service I have selected, Lord Gus O'Donnell (former Permanent Secretary for the Cabinet Office), Lord Kerslake (former Head of the DCLG), Lord Bichard (former PS at the DfEE) and Sir Michael Lyons (Lyons Inquiry into Local Government). I will also select a representative set of Backbench MPs (to be selected). In addition to the above key informants I have selected four experts on either individual LAI domains or on central/ local relationships, namely Rob Whiteman (CIPFA), Andy Burns (CIPFA), Jonathon Carr- West (LGiU) and Mike Burton (Municipal Journal).

Respondents will be invited to participate in a face to face interview which will typically last one hour. The venue will be at their convenience and the interview will be recorded unless I am requested not to. A typed transcript for every interview will be produced but will be treated as confidential. The transcripts will be held securely and will be destroyed within 12 months of the research being completed. A copy of the transcript will be made available to respondents on request within four months of the interview.
All comments used in the research will be attributable unless anonymity is requested.
The interviews will be semi structured based and will seek to find out what the respondents believe to b**e** important in terms of measuring decentralisation/centralisation. The interviews will be in three parts: -

- To discover if the respondents agree that I have identified a comprehensive range of domains and measures or whether the feel that there are gaps.
- To find out how important each measure is to the respondents.
- To provide an opportunity for each respondent to provide any further comments or suggestions.

10. RECRUITMENT

Please state clearly how the participants will be identified, approached and recruited. Include any relationship between the investigator(s) and participant(s) (e.g. instructor-student).

Note: Attach a copy of any poster(s), advertisement(s) or letter(s) to be used for recruitment.

Participants have been identified in discussion with my supervisors based on their knowledge, experience and reputation in either local government and/or central government or technical expertise. The local authority participants cover a range of councils including counties, unitary, London boroughs and districts. All the main political parties are represented.
The central government civil servant participants include the major figures influencing central/local relationships over recent years. The MPs have yet to be identified.

As a past local authority Chief Executive I know most of the Chief Executives and Leaders to be interviewed and for this reason I feel they would be more willing to fully participate. The respondents will be contacted by e mail requesting their participation. I will attach an interview guide, consent forms and information sheet outlining my research.
In the event of a low take – up I will approach individuals I have identified on a reserve list.
There is a danger that there could be too much informality or with some a desire to be over supportive. However, this can be minimised by a clear explanation of the process, project and desired outcomes.
A copy of the recruitment letter is attached.

11. CONSENT

a) Describe the process that the investigator(s) will be using to obtain valid consent. If consent is not to be obtained explain why**.** If the participants are minors or for other reasons are not competent to consent, describe the proposed alternate source of consent, including any permission / information letter to be provided to the person(s) providing the consent.

Consent will be sought via the attached information sheet, guide and consent form.

Note: Attach a copy of the Participant Information Sheet (if applicable), the Consent Form (if applicable), the content of any telephone script (if applicable) and any other material that will be used in the consent process.

b) Will the participants be deceived in any way about the purpose of the study? **Yes** ☐ **No** **x**☐

If yes, please describe the nature and extent of the deception involved. Include how and when the deception will be revealed, and who will administer this feedback.

12. PARTICIPANT FEEDBACK

Explain what feedback/ information will be provided to the participants after participation in the research. (For example, a more complete description of the purpose of the research, or access to the results of the research).

Following the completion of my thesis I will produce a report for policy makers which will be publicly available and be provided to all participants in the research.

13. PARTICIPANT WITHDRAWAL

a) Describe how the participants will be informed of their right to withdraw from the project.

The policy for withdrawal is included in the information sheet and consent form as follows.

'Participants can withdraw consent for the use of the interviews up to three weeks after

the interview takes place.'

- **Right to withdraw:** Once respondents have taken part in this discussion they will be able to withdraw their comments from the research within three weeks of

b) Explain any consequences for the participant of withdrawing from the study and indicate what will be done with the participant's data if they withdraw.

There will be no consequence for the research if a participant chooses to withdraw and replacement participants will be sought. Data from any withdrawing participants will not be used in the research.

14. COMPENSATION

Will participants receive compensation for participation?

i) Financial **Yes** ☐ **No** **x**☐

ii) Non-financial **Yes** ☐ **No x**☐

If **Yes** to **either** i) or ii) above, please provide details.

If participants choose to withdraw, how will you deal with compensation?

15. CONFIDENTIALITY

a) Will all participants be anonymous? **Yes** ☐ **No** **x**☐

b) Will all data be treated as confidential? **Yes** ☐ **Nox** ☐

Note: Participants' identity/data will be confidential if an assigned ID code or number is used, but it will not be anonymous. Anonymous data cannot be traced back to an individual participant.

Describe the procedures to be used to ensure anonymity of participants and/or confidentiality of data both during the conduct of the research and in the release of its findings.

Interview transcripts will be held securely on password protected UoB Server. I intend to attribute the sources of the interviews as I consider it important for the reader to understand the background of the interviewee. Interviews will be named unless the interviewee requests anonymity in whole or in part. If anonymity is requested quotes may still be used but they will not be ascribed to individuals. It should be noted that all interviewees participating in the research will be listed unless they specifically ask that their names are omitted.

If participant anonymity or confidentiality is not appropriate to this research project, explain, providing details of how all participants will be advised of the fact that data will not be anonymous or confidential.

Included on information sheet, guide and consent form as follows. 'All comments used in the research will be attributable unless anonymity is requested and they will be used in a report for policy makers.' • **Confidentiality:** Findings used in research reports will be attributable unless anonymity is requested

16. STORAGE, ACCESS AND DISPOSAL OF DATA

Describe what research data will be stored, where, for what period of time, the measures that will be put in place to ensure security of the data, who will have access to the data, and the method and timing of disposal of the data.

Interview recordings and transcripts will be held securely on password protected UoB server for ten years following the completion of the research. The recording will be shared with a trusted individual who will type them up. The trusted individual is a former PA to a Local Authority Chief Executive who has considerable experience in typing up sensitive recorded transcripts of interviews. They will not be shared with anyone else apart from my Supervisors

17. OTHER APPROVALS REQUIRED? e.g. Criminal Records Bureau (CRB) checks or NHS R&D approvals.

☐ YES x☐ NO ☐ NOT APPLICABLE

If yes, please specify.

18. SIGNIFICANCE/BENEFITS

Outline the potential significance and/or benefits of the research

The study of decentralisation is at the heart of political science. Until relatively recently scholars have looked at this phenomenon through primarily a theoretical perspective and the use of informed narrative mostly in the context of comparative analysis. More recently it has become possible through the work of authors such as Hooghe, Marks and Schakel (2010) to quantify levels of decentralisation over time but this understanding does not extend to the sub regional level and it remains problematic in a unitary system of government.

My research will for the first time measure the dynamics of decentralisation/centralisation for England at the local level of political organisation. The local authority index (LAI) will be a novel contribution to the study of decentralisation capable of being replicated for other countries, possibly leading to a local level comparative project similar to the work done at the regional level.

Decentralisation is not only important from an academic perspective it is also critical from a political/policy view point. There are many claims and counter claims by political parties in the UK as to their support for decentralisation. (This is clearly evidenced by reference to the political manifestos of the major political parties). The LAI will provide an objective assessment of these claims.

19. RISKS

a) Outline any potential risks to **INDIVIDUALS**, including research staff, research participants, other individuals not involved in the research and the measures that will be taken to minimise any risks and the procedures to be adopted in the event of mishap

Lone working
The supervisors and a third party will be informed of the date time and location of every interview and the researcher will inform them once every interview is completed.

b) Outline any potential risks to **THE ENVIRONMENT and/or SOCIETY** and the measures that will be taken to minimise any risks and the procedures to be adopted in the event of mishap.

None

20. ARE THERE ANY OTHER ETHICAL ISSUES RAISED BY THE RESEARCH?

Yes ☐ No x☐

If yes, please specify

From: Samantha Waldron
Sent: 13 June 2017 10:26
To: Stephen Winterflood; '[redacted]
Cc: 'Vivien Lowndes'
Subject: Application for Ethical Review ERN_17-0549

Dear Prof Lowndes & Ms Mangan

Re: "Measuring changes in the levels of decentralisation/centralisation between Central Government and English Local Authorities, 1945-2015."
Application for Ethical Review ERN_17-0549

Thank you for your application for ethical review for the above project, which was reviewed by the Humanities and Social Sciences Ethical Review Committee.

On behalf of the Committee, I confirm that this study now has full ethical approval.

I would like to remind you that any substantive changes to the nature of the study as described in the Application for Ethical Review, and/or any adverse events occurring during the study should be promptly bought to the Committee's attention by the Principal Investigator and may necessitate further ethical review.

Please also ensure that the relevant requirements within the University's Code of Practice for Research and the information and guidance provided on the University's ethics webpages (available athttps://intranet.birmingham.ac.uk/finance/accounting/Research-Support-Group/Research-Ethics/Links-and-Resources.aspx) are adhered to and referred to in any future applications for ethical review. It is now a requirement on the revised application form (https://intranet.birmingham.ac.uk/finance/accounting/Research-Support-Group/Research-Ethics/Ethical-Review-Forms.aspx) to confirm that this guidance has been consulted and is understood, and that it has been taken into account when completing your application for ethical review.

Please be aware that whilst Health and Safety (H&S) issues may be considered during the ethical review process, you are still required to follow the University's guidance on H&S and to ensure that H&S risk assessments have been carried out as appropriate. For further information about this, please contact your School H&S representative or the University's H&S Unit at healthandsafety@contacts.bham.ac.uk.

Kind regards,

Miss Sam Waldron
Deputy Research Ethics Officer
Research Support Group
[redacted]
Aston Webb Building
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Appendix 11: Discarded Domain Weighting Methods

There are methods that can be employed to achieve domain parity. The first approach is to identify the same number of measures for each domain. Such an approach elevates the importance of the domains above that of the individual measures in that the latter has to fit into the straight jacket of the former. The second approach is to apply weightings either to the domains or to the individual measures. The first method is to divide the number of measures for each domain by the overall score for each domain. The score for each domain is arrived at by taking into account the domain weighting provided by the elite respondents. The second method is to simply divide the number of measures in each domain and then multiply each 'corrected measure' by the weighted measure score.

The manipulation of the number of measures within each domain to achieve parity is clearly achievable but is it justifiable in terms of the measuring of levels of authority? Parity in the number of measures within each domain could be achieved by combining measures or sub dividing them. Two examples will suffice to explain the dilemma. The first example concerns the consideration of central controls on capital and revenue spending of local authorities which could be presented as either one or two measures. The second example concerns policy scope, whereby the functions of local authorities could be combined or separated. Fire services and the police service could be treated separately or combined in order to achieve domain parity. In both examples the importance of central controls over local government spend or a particular function of local councils to levels of local authority is not determined by the academic literature or the expert opinion of the elite respondents but rather it is determined by statistical neatness based on the perceived wisdom of achieving domain parity.

Method One – Domain and measure weighting

Since the domains contain different numbers of measures, domain parity can be achieved by manipulating the score for each measure to ensure that the cumulative score of the measures within each domain is the same at least as a starting point. This 'correction' can be achieved by simply dividing the number of measures for each domain by the overall score for each domain. In the unweighted form, each domain could be given a score of ten and therefore the maximum unweighted score for each policy scope measure would be one, for financial autonomy it would be two and for political freedom it would be 2.5. The weighted domain score is calculated on the basis of the average score given by the respondents as follows:

Policy Scope 7.9

Financial Autonomy 8.9

Operational Freedom 7.4

In order to reflect the relative importance of the domains in each measure the weighted domain score is simply divided by the number of measures in each domain and thus the weighted domain score to be applied to each measure is:

Policy Scope 0.79

Financial Autonomy 1.78

Operational Freedom 1.85

The domain weighting can be applied to each measure by multiplying it with the individual measure weighting which in turn is derived from the average score given by the respondents. Finally, the actual measure score is factored in. The formula used to achieve the final measure score is as follows:

Final measure score = weighted domain score ÷ number of measures in each domain × measure weighting × measure score

Method Two – Measure weighting within domains

The need to achieve parity across the three domains is still required and the 'correction' is therefore included in this method; however, the weighting of each domain is omitted.

Each domain is ascribed a score of 10 and the 'correction' is achieved by simply dividing this score by the number of measures in each domain as follows:

Policy Scope 1

Financial Autonomy 2

Political Freedom 2.5

The 'corrected' score for each measure is then multiplied by the weighting (score) given to each measure by the elite respondents. Finally, the actual measure score is factored in.

The formula used to achieve the final measure is as follows:

Final measure score = domain score (10) ÷ number of measures in each domain × measure weighting × measure score

Strengths and weaknesses of the two approaches

Method One

The main strength of this method is that it harvests all the scores provided by the elite respondents and thus uses their expertese to weight the domains. My starting point of equal weighting is not uncommon but there is no clear consensus on the issue of domain parity. While I cannot justify weighting the domains myself I do feel that it is justifiable to weight the

domains by reference to the elite respondents. The biggest weakness is that it introduces a greater level of complication that could skew the overall LAI.

Method Two

The main strength of this method is that it is clearly simpler and, as such I think, justifies the simple statistical approach I have taken.The main weakness is that although I have followed others in giving parity to each domain I have not provided any justification for this.

Having analysed both methods it is clear that the overall result in terms of the presentation of the LAI is broadly similar. The details of the analysis are provided in Table A1 below.

Table A1 Evaluation of Domain Weighting Methods

Measure	Average	Variation	Method 1	Method 2	Difference	% Diff
FA1	8.777778	1.133115	12.87	17.56	4.68	36%
FA2	9.222222	0.785674	13.53	18.44	4.92	36%
FA3	9.388889	0.825893	13.77	18.78	5.01	36%
FA4	8.611111	1.419659	12.63	17.22	4.59	36%
FA5	9.222222	0.916246	13.53	18.44	4.92	36%
OF1	6.166667	2.43242	10.66	15.42	4.75	45%
OF2	8	2.134375	13.83	20.00	6.17	45%
OF3	7.944444	1.64898	13.74	19.86	6.12	45%
OF4	8.055556	1.957102	13.93	20.14	6.21	45%
PS1	8.055556	1.544604	6.40	8.06	1.66	26%
PS2	8.088235	1.395742	6.43	8.09	1.66	26%
PS3	7.333333	1.490712	5.83	7.33	1.51	26%
PS4	6.916667	1.293681	5.49	6.92	1.42	26%
PS5	7.944444	1.177201	6.31	7.94	1.63	26%
PS6	6.555556	1.832491	5.21	6.56	1.35	26%
PS7	8.194444	1.625653	6.51	8.19	1.68	26%
PS8	8.277778	0.931281	6.58	8.28	1.70	26%
PS9	8.444444	1.257079	6.71	8.44	1.74	26%
PS10	6.111111	1.791613	4.85	6.11	1.26	26%

What is the effect on the overall score for the LAI?

The weighting of the domains or measures to achieve domain parity increases the scores for the operational freedom measures by up to 150%; for the financial authority measures the increase is approximately 100%; the policy scope measures are decreased by approximately 25% (but only for method 1 as there is no change using method 2). While it is self-evident that applying different weightings to individual measures will change the score of each measure the question arises whether it affects the overall presentation of the LAI. If the loss or gain of authority within each domain is similar every year then the effect is limited. As examined in Chapter 6 there is no simple correlation between changes in the levels of authority within the domains and in each of the three epochs; however, it is quite possible that the achievement of domain parity could have some effect on the presentation of the LAI.

Appendix 12: Measure Weighting

Respondent / Measure	MR	WS	SB	NB	MRo	MB	JK	RL	JR	DH	PA	MO	AB	JH	HD	SA	JL	MBi	Average
PS1	7	9	9	9	9	9	6	8	9	8	9	8	3	9	8	10	8	7	8.056
PS2	9	9		6	9	8	7	10	9	8	8	10	8	9	4.5	7	9	7	8.088
PS3	6	8	7	5	9	8	8	8	8	9	9	6	8	9	7	4	8	5	7.333
PS4	6	9	6	8	6	7	8	8	7	5	8	7	5	8	7.5	4	7	8	6.916
PS5	7	8	7	6	9	7	7	9	9	8	9	10	6	9	7	9	9	7	7.944
PS6	4	8	7	8	9	7	7	4	8	5	7	5	7	8	8	3	9	4	6.555
PS7	6	10	10	10	9	5	6	9.5	8	9	8	10	9	10	7	6	7	8	8.194
PS8	7	8	7	9	9	9	9	8	8	8	10	7	7	9	8	10	8	8	8.277
PS9	8	10	10	9	9	8	8	9	7	7	10	8	5	9	8	10	9	8	8.444
PS10	9	9	3	4	6	4	5	5	7	6	9	7	4	7	6	5	6	8	6.111
FA1	10	10	10	10	10	9	9	7	7	7	9	8	10	9	7	9	9	8	8.777
FA2	10	10	10	10	10	10	9	9	8	10	9	8	10	9	8	9	9	8	9.222
FA3	10	10	10	10	10	10	10	8	9	8	9	10	10	8	8	10	10	9	9.388
FA4	10	10	8	10	10	9	9	5	9	10	9	10	6	7	8	8	9	8	8.611
FA5	10	10	10	10	10	10	10	9	9	8	9	10	8	9	8	7	9	10	9.222
OF1	7	9	7	0	8	7	7	4	9	8	7	8	2	7	8	3	5	5	6.166
OF2	9	9	10	10	5	9	8	9	8	5	9	9	2	6	7	9	10	10	8
OF3	9	9	10	7	9	9	7	5	9	8	9	8	5	8	9	4	9	9	7.944
OF4	9	10	8	9	8	10	8	8	8	5	8	10	2	6	8	10	9	9	8.055

Source: The Author

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